Yardstick for Golds (Page 22)

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Largest Circulation of Any Canadian Financial Paper

Vol. XXIX · Member of Audit Bureau of Circulations · PUBLICATION OFFICE: TORONTO, OCTOBER 19, 1935 · 10c a Copy; $5.00 a Year · No. 42

The Nation's Business

A Forecast and the Results

Third Parties Die and Canadians Sigh Relief

Stevens's Methods Killed Him

Attempt to Bribe Farmers With Public Money

The Value of Independence

IN NEARLY every election fought at a time of crisis some deep-running emotional current finally swings the result. An amazingly large number of business men in Canada thought they saw signs that this current would sweep the third parties in Canada, particularly the one of Mr. Stevens, into a position to dictate to whatever government was formed.

As late as Monday stock brokers in Montreal were forecasting that Mr. Stevens would get up to 80 seats. Few forecasts gave his party less than 40 seats.

Independent in politics, The Post sized up the situation differently. Last week our Ottawa correspondent forecast a Liberal victory and suggested that the swing in the tide might produce a Liberal landslide. For three weeks The Post had reported the decline of the third parties and last week expressed the view that the Reconstruction and C.C.F. groups were no longer in the running although the Social Crediters, operating in a small area, would not suffer similar virtual extinction.

* * *

THE forecast proved remarkably accurate. It indicates the value of occupying a position detached from party politics. The Post cannot undertake always to call the turn as positively. In fact, it is not much given to forecasts of any sort although it attempts to point to trends in matters of business, finance and national affairs.

The Post's lack of party affiliation also impelled it to present during the election campaign two other features in which it took some pride. One was a summary of the platforms of the four major parties, each group being given equal space and equally objective treatment. The other was a character sketch of each of the four leaders.

Many compliments have been received on these two features, which apparently proved of real value to many readers.

* * *

AT TIMES The Financial Post supported, at other times it criticized the late government. It will be found behind Mr. King in some of his policies and in opposition to him on others. There was never any political significance in our praise or criticism of Mr. Bennett. There will be none where Mr. King is concerned.

"Is it in the best interests of Canadians at large?" must always remain the test to which The Post will subject any governmental policy.

* * *

Collapse of Third Parties

WITH loud cheers most Canadians hail the virtual collapse of third parties in Parliament. The two-party system is good enough for Canada. Third parties lead to log-rolling in and out of Parliament. They make the major parties overly cautious in taking firm stands on sound policies because of the misrepresentation to which they are subjected by men whose chief effort is to give themselves a nuisance value.

The C.C.F. has always had a minor rôle to perform that is not without value. It is chiefly an intellectual movement—although this is not always apparent in the men who are sent by the party to the House of Commons. Its constant reiteration of ultimate economic and social objectives has some value in stimulating the thinking of other less contemporary-minded members. Parliament needs a few men presenting Socialist doctrines in order that comparisons may be made between theoretical Socialism and practical present-day facts. But only a few such members are needed. Any large number of C.C.F. members would be a temptation to the government to buy their support with improper concessions. A government of C.C.F. members would be a fearfully incompetent government.

* * *

ON THE other hand the Reconstruction party never had any rôle to perform, not even as a protest movement or as a sponsor of "moral indignation." The country did not need it and the people would not have it.

Chiefly, the country disliked the methods of Mr. Stevens and his supporters. The Stevensites wished to

(Continued on page 2, col. 3)

King Will Attack National Problems From Three Angles

Will Tackle Employment, Industrial Reform and Tariff — Dominion-Provincial Conference Will be Vital Link in New Programme

NO EARLY SESSION OF PARLIAMENT PLANNED

OTTAWA. — With Rt. Hon. W. L. M. King preparing to take office backed by the largest majority ever commanded by a government in Canada's Parliament, the capital swarms with rumors of impending action of vital interest to business.

Will the tariff be slashed? If so, when? Will an early session be called? What about the Bennett New Deal and the various "schemes" for the relief of agriculture, the debtor class and so forth? What of wheat, the railways, balancing the budget? And who are the men who will officer the ship of state?

Change and Confusion

It would seem that the country has become so used to sudden turns of policy, snap decisions and vigorous action, that it is felt the immediate future will be a time of unprecedented change and confusion; that business must prepare to shoot the rapids of instability until Mr. King has put his policies into operation.

But opinion at Ottawa does not bear out this impression No sudden changes are anticipated. Reins of office will not likely be taken over before Oct. 26.

There will not be an early session of parliament. The new government will be hard pressed, as it is, to prepare its legislative programme in time for an opening in mid-January.

The first acts of the new ministry will be directed along three lines:

1. Steps will be taken to organize a National Unemployment Commission to co-ordinate all relief expenditures and state employment policies.

2. A Dominion-provincial conference will be called to fine-tooth-comb the Bennett industrial reform legislation, to pave the way for constitutional revision, attack the problem of uniformity of laws—such as mining laws and so forth.

3. The order-in-council tariffs will be subjected to close scrutiny with a view to their repeal by the government, but the consequences of repeal will be carefully studied in each case.

Balancing Budget

In the realm of finance the new government will seek a balanced budget along two directions. Every effort will be made to keep expenditures down, and at the same time, by decreases in tariff, the Government will seek to restore customs revenues to normal proportions. Since the enactment of a Canada First policy, it is said tariff revenues have been cut by as much as $50 millions per year, allowing for price declines.

Reciprocity

Apart from this, Mr. King will appoint his minister to Washington and send Hon. Vincent Massey to London as High Commissioner at the earliest possible moment. The reciprocity negotiations will be pressed forward vigorously and there is good reason to believe that the Bennett offer will be materially improved. Over at London Mr. Massey will be used to hold out tariff concessions to Britain as a means of halting the British agricultural ex-

(Continued on page 2 col. 6)

MUTUAL LIFE CO. RATES TO RISE

Increase in Premiums Scheduled for Jan. 1, 1936

BLAME LOW INTEREST

Mutual Life Assurance Co. of Canada will introduce an entirely new schedule of premium rates effective Jan. 1, 1936, The Financial Post is informed by Walter H. Somerville general manager of the company.

The new rates will bring into effect increases ranging approximately from one to nine per cent. This means at the most important ages that the new premiums will be from $1 to $2.50 higher, per thousand of insurance, than the corresponding rates now in force.

Interest Rate Responsible

Reason for the change (forecast in The Post in Sept.) is the current investment situation. The rate of interest obtainable on new investments together with the indications that relatively low interest rates will prevail for a protracted period have been chiefly responsible for the change. It will also enable the company to permit valuation reserves on new business to be based on the Canadian men table with three per cent interest.

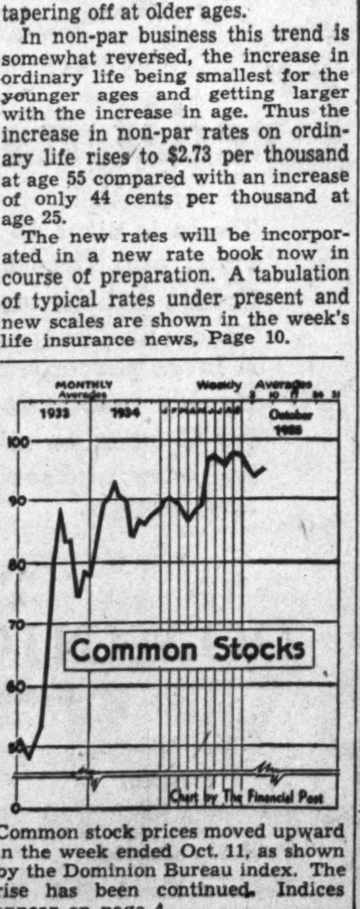
Rates Compared

The new rates apply both to participating and non-par business. The new participating rates are about midway between present premiums and premiums on the company's "regular" series, in force until a year or two ago. For "ordinary" life, for example, the increase is about $1 per thousand at all ages. For twenty pay life the increase is higher at the early ages ($2.21 per thousand at age 25, for example) and tapers off to an increase of 97 cents per thousand of insurance at age 55.

An almost similar increase, proportionately, is made in the new rates for endowment contracts, the increases at earlier ages amounting to between 6.5 and 9 per cent and tapering off at older ages.

In non-par business this trend is somewhat reversed, the increase in ordinary life being smallest for the younger ages and getting larger with the increase in age. Thus the increase in non-par rates on ordinary life rises to $2.73 per thousand at age 55 compared with an increase of only 44 cents per thousand at age 25.

The new rates will be incorporated in a new rate book now in course of preparation. A tabulation of typical rates under present and new scales are shown in the week's life insurance news, Page 10.



Common stock prices moved upward in the week ended Oct. 11, as shown by the Dominion Bureau index. The rise has been continued. Indices appear on page 4.

PAPER MAKERS' PRICE PLANS UPSET AGAIN

Great Northern's Advance of $1 Hard Blow to Industry

PUBLISHERS CHEER

Scheme to Advance Price $2 to $3 a Ton Badly Crippled — Canadians Are Silent

From Our Own Correspondent

MONTREAL. — For the second year in succession plans of the newsprint operators in Canada and the United States for a general increase in the price of newsprint paper have been dealt a body blow from an unexpected source.

Last year St. Lawrence Paper Mills upset calculations by entering into a contract with Scripps-Howard and Hearst for deliveries of paper in 1935 at the 1934 price schedule.

Over the last week-end Great Northern Paper Co., one of the largest newsprint manufacturers in the United States, announced an increase of $1 a ton on deliveries during 1936. Sale of Great Lakes Paper Co.—subject to court approval—is another snag in the opinion of the newsprint industry.

A few days ago Finch, Pruyn and Co., operating a mill of about 150 tons daily capacity at Glen Falls, N.Y., followed Great Northern's lead. Others are expected to follow suit.

Upset the Applecart

This is the first increase in the price of newsprint for more than a decade. But there is no cheer in the industry. For months the majority of producers in this country and the United States have been carefully laying plans to bring about an increase of $2.50 to $3 a ton on next year's sales.

Increasing production costs had made it imperative that the operators secure a better price. Steps were taken to bring this about. The "short" companies—those with small tonnage—had been brought into line to prevent the recurrence of the 1934 fiasco.

Then came the unheralded announcement of Great Northern.

What is the Motive?

Other producers are at a loss to understand the motive or motives causing the American producer to take such a step.

While the majority of the producers in Canada and the States were aware of the independent attitude taken by Great Northern, Maine Seaboard and other companies on matters affecting the in-

(Continued on page 2, col. 3)

Election Revives Produce Exchange

Arrangements now have been made for the opening of the produce division of the Canadian Commodity Exchange, Montreal. Trading is expected to start on Oct. 21 or 22. The revival of the project is a consequence of the Dominion election.

Plans had been completed for the opening of the new division early in October. Commencement of operations was deferred, however, at the "request" of the Dominion government. The Bennett administration had taken steps to subsidize the export of 10 million pounds of butter in order to relieve the domestic marketing situation.

The defeated government intervened in the produce market plan because it felt that trading would interfere with its own scheme for control of butter. The new King government is expected to adopt more of a laissez faire policy.

Trade Figures Above Year Ago

Canadian trade, both exports and imports, while seasonally down from the previous month, recorded considerable improvement in September over the same month in 1934. The total for the first six months of the current fiscal year is almost eight per cent above that for the corresponding period last year.

			—Change—	
			From Prev. Period	From Prev. Year
Monthly:		September	%	%
Exports	$	64,564,915	—9	+11
Imports	$	44,779,429	—10	+6
Weekly:				
Carloadings	No.	58,364	+5	+10
Bank clearings	$	359,851,514	—3	+23
Cattle sales	No.	27,474	+13	+72
Hog sales	No.	15,162	+20	+48

Additional figures will be found on page 7.

King and His Cabinet

Should Hand-pick Canada For Men to Fill Important Positions

By JOHN BAYNE MACLEAN

Next to over-confidence, Mr. Bennett's great weakness as Prime Minister was his lack of administrative business experience and of the wisdom that such successful experience brings. And he did not know it. He has never built a successful business or created employment. Hence he has not the trained executive capacity to select men to fill important positions, to coach them, to guide them, to advise them as to his policies and inspire them in carrying out these policies.

Mr. Bennett is not of the type of men who have made Canadian commerce and industry, and who have developed great productive employment—steady year-round employment if the politicians would leave them alone, protecting them only from the combines, the stock-watering promoters and other crooks, looters and racketeers, little and big in brief, from the parasites who grow fat on decent business.

No matter how highly educated and sincere are men like Mr. Bennett and men like the Rhodes scholars and other intellectuals who form so important a factor in the C. C. F., they do not build.

Mr. Bennett has worked hard, sincerely and conscientiously—and alone. But he failed. Failed as no other great Canadian leader has failed. Failed because he was neither a leader nor an executive.

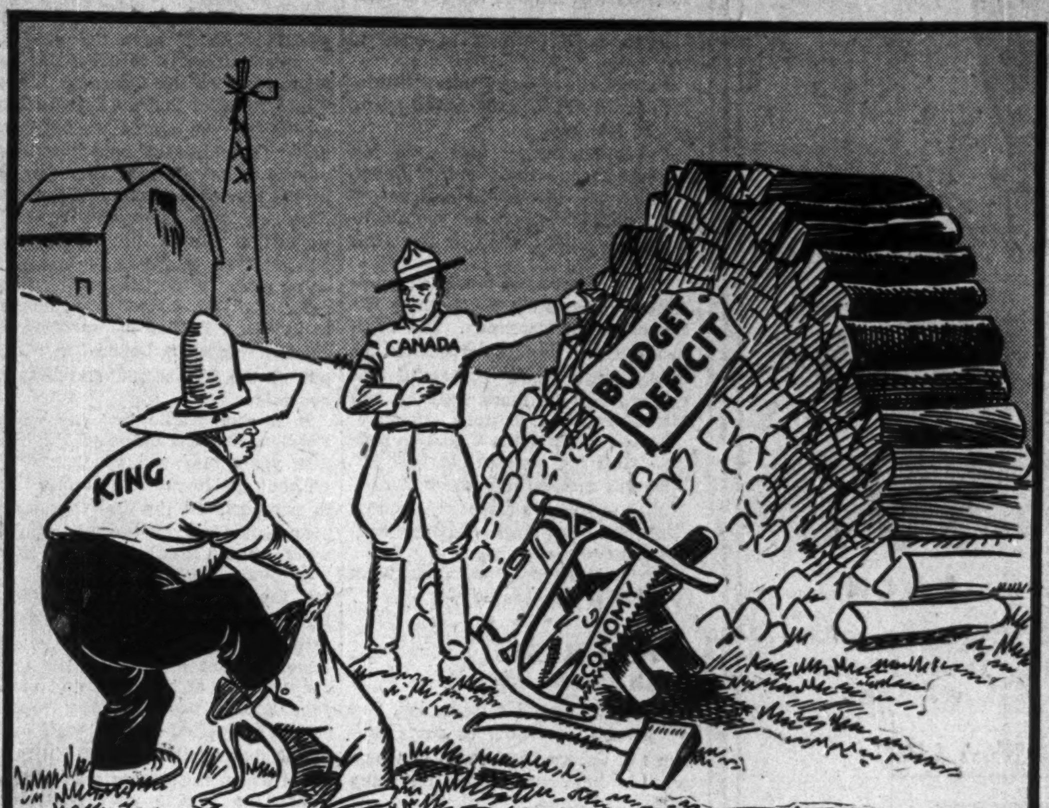
Wesley Gordon's Record

In spite of the general weakness of the men Mr. Bennett selected for his cabinet, there was some most promising material among them, but he did not give them a chance. With perhaps one exception. Hon. Wesley Gordon was a pioneer of Northern Ontario where people put up with hardships but live well and despise doles. He had vision, imagination, commonsense, constructive ability and the courage to refuse to listen to Mr. Bennett's orders where he felt they were born of misinformation and inexperience. Mr. Gordon made a cabinet record and set an example that other ministers should follow. He succeeded Gideon Robertson, probably the best Minister of Labor Canada has ever had. No doubt he drew some inspiration from Mr. Robertson, and in practice made himself a Minister of Employment, endeavoring to promote prosperity among all classes of workers. He set out to find, create and place men and women in permanent productive work on broad lines.

Mr. Gordon knew from experience that the families on the land did not require doles or other public assistance. He saw in that direction the first step to improve the situation.

He was also Minister of Immigration, a Department that was going strong when he took hold. Why should we pay for immigration

(Continued on page 2 col. 5)



—Drawn for The Financial Post by R. Kaell.

THE NEW HIRED MAN'S FIRST JOB

Mr. King's First Job

It Must Be To Restore Canada's Credit By Sound Finance

CANADA now has a government, that in point of numerical strength in the House of Commons, is one of the strongest in the country's history.

That much should be satisfactory to Canadians as they contemplate Monday's landslide. There are big jobs to be done in Canada; jobs that call for strength as well as courage. The King government will be strong enough to justify courage. Is it too much to ask that this government go at the solution of these problems speedily and effectively.

The one primary job is to do what Britain and Australia did; to re-establish the national finances.

* * *

NATIONAL government, as a possibility in Canada, has, at least temporarily, faded from the scene. National or fusion governments are needed only when the country faces a major crisis which the ordinary democratic processes of party government have failed to avert and seem unable to solve.

Canada does face a crisis. But Mr. King will have a government strong enough to avert that crisis.

Canada's credit is at a low ebb. Confidence in business is equally disturbed. The primary causes in each case are the same.

* * *

FIRST there is the sadly shaken condition of public finance in Canada. It is the product of unbalanced Dominion budgets, of continuing waste in railway losses and public expenditures, of relief-stricken provincial and municipal finances.

Second, there is the tendency of so many men in positions of political power to ignore these major problems in order to pursue sheer fantasies in the name of economic, social and monetary reform.

Reform is an ultimate objective. Before Reform must come Recovery and before there can be Recovery there must be Confidence. Given Confidence and Recovery and then continuing Prosperity, the traditional Liberal policy of effecting social reforms by democratic processes can go on unimpeded.

* * *

MR. BENNETT'S failure was a failure to put first things first. Time after time people have said: "Well, at least Bennett has brought us through the depression."

But Mr. Bennett did not bring Canada through the depression. We are not through it by any means.

Mr. Bennett found Canada in depression and he left it in depression. He could be decisive, even dictatorial on some things. But he could never bring himself to say publicly what he always said privately; to do politically what his business instincts told him he ought to do; to put the country's finances in sound shape.

Mr. Bennett toyed with this problem. In fact, he did worse than that for many of his measures were of a nature calculated to depress still further the country's financial condition.

That was the Bennett policy and it overshadowed his major accomplishments in connection with Imperial trade development.

* * *

THE people rejected Bennett. He need never have been rejected. He knew at all times what was the key to real prosperity in Canada but he had not the courage to use it.

At the same time the Canadian electorate rejected even more emphatically the pleas of obstructionists and wishful economic heretics to be given a mandate to rule this country. The collapse of Mr. Stevens's party and of the C.C.F. party was a very significant thing. It showed that Canadians are eminently sensible and will not be deluded, nationally at least by impractical idealism or success-baiting misrepresentation. The people turned these radical parties down because the people want action on sound and practical lines to restore good order to the national housekeeping.

Put first things first. That's what Canadians of all classes want the new government to do. What are these first things?

* * *

THE first job is to draw up and adopt a definite programme of budgetary reform; making the country's accounts balance so that the danger of national insolvency can be avoided.

Making a national appraisal of the problem of unemployment and relief is one of Mr. King's most important policies. It can go on without putting the budget issue in the background. In fact, it is a large part of the budget problem.

The second job must be to stop the wasteful expenditure of government money. The chief element in national waste is the railway problem. Mr. King must find the way to make co-operation and economy work to save millions a year of the taxpayers' funds.

A third job is to devise an equitable scheme of debt refunding capable of application to all public bodies in Canada.

A fourth is to review all recent legislation providing for the setting up of new spending bodies, new commissions, new bureaus, new regulations, to see how much should be jettisoned entirely, how much should be held in suspense, and how much the country can afford to go ahead with now.

A fifth is to end our costly venture in wheat so that the farmers may not suffer from the crushing burden of a huge surplus hanging over their market.

* * *

THERE are other problems calling for immediate attention but these, because they are related to the immediate urgency of restoring soundness to the national finances, are the most important.

The new government may hesitate to take drastic action. Every government, even on the day it assumes office, starts looking forward to the next election date.

By restoring sound finance to Canada Mr. King can give the country prosperity. And that is what will count on the next election date.

Highlights

Who Owns Sun Life?

First of a special series of articles analyzing the shareholdings of Canadian life companies. This week: Sun Life of Canada. Page 10

Stocks and Bonds Rise

Stock and bond prices rise as investors relieved by decisiveness of Liberal victory. Page 5

Mustafa Kemal

Tells amazing story of 11 successful revolutions by founder and president of Turkish Republic. Page 24

Do Golds Stand Up?

Canny British investors have "yardsticks" for gold stocks. What happens when these standards are used on Canadian mines. Page 22

Food Securities

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Eastern Bakeries Profit Shows Definite Advance

Definite improvement in earnings was experienced by Eastern Bakeries Limited, subsidiary of Maple Leaf Milling Co. in the year ended June 30, 1935. Maple Leaf Milling guarantees the dividends of 3¼ per cent on Eastern Bakeries preferred stock.

Working capital position of Eastern Bakeries at June 30, 1934, showed a deficiency of over $10,000. Current liabilities were $35,671, against current assets of $25,224. There has been some improvement in this position recently.

DAIRY CORP. BANK LOANS TIGHT KNOT

Earnings of Subsidiaries Not All Obtainable by Dairy Corp.

CONCERNS TWO BANKS

Bank of Toronto Has Loan Against Canada Dairies — Bank of Montreal Holds Securities

Earnings of operating subsidiaries of Dairy Corp. of Canada are currently sufficient to cover interest which comes due in 1936 on debentures of Dairy Corp. issued under the 1934 reorganization, The Financial Post is informed. The difficulty, however, is in collecting dividends from subsidiaries. A complex banking situation interferes with the Dairy Corp. revenue from its subsidiaries.

The deadlocked banking position is responsible for non-issuance of the Dairy Corp. annual report for 1934. It appears that the report, which was expected last June, may not appear in 1935 at all. Neither has the annual meeting been held this year.

Back to 1930

The difficulty of Dairy Corp. in its banking relationships goes back to 1930 when arrangements were made by vendors of Canada Dairies Ltd., Toronto, to pay off $325,000 owing to the Bank of Toronto.

The unpaid part of this liability remains owing to the bank, under a loan agreement signed by five former directors of Canada Dairies. Dairy Corp. of Canada is involved in the agreement. Two of the vendor signatories have died and there is a question as to their liability and the liability of Dairy Corp.

Dividends Barred

The amount of individual and total liability is also questioned. It is a debate over who owes what. Meanwhile, Dairy Corp. is unable to issue a statement pending settlement of its liability.

The Bank of Toronto situation has prevented Dairy Corp. from collecting dividends on its $345,000 of Canada Dairies six per cent preferred stock.

The situation complicates completion of the reorganization which was approved over a year ago. As a result of all changes, Dairy Corp. now has the following capitalization:

Dairy Corp. Capitalization

Security:	Authorized	Outstanding
6% 20-yr. debents.	$1,200,000	$636,000
Class A common	72,000 shs.	54,316 shs.
Class B common	75,000 shs.	35,800 shs.

Income and Debentures

Interest on the debentures begins to accrue from Jan. 1, 1936, and the first payment will be due July 1, 1936. Earnings of the various operating subsidiaries of Dairy Corp. have improved this year. Non-receipt of dividends from subsidiaries, however, may make it difficult for Dairy Corp. to pay its debenture interest.

Settlement of the Bank of Toronto loan so that Dairy Corp. could draw down its dividends from Canada Dairies has been attempted. The bank would be satisfied with the loan if it held securities additional to the loan agreement, The Financial Post understands.

Enter Another Bank

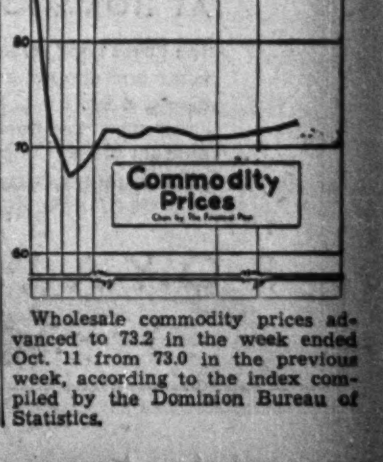
This leads to a second bank complication. The Bank of Montreal holds valuable securities belonging to Dairy Corp. as collateral for yet another loan. These cannot be withdrawn from the Bank of Montreal for deposit as collateral with the Bank of Toronto. It is understood, however, that the Bank of Montreal would be willing to release certain securities from deposit but that these are not entirely satisfactory as collateral to the Bank of Toronto.

The Bank of Montreal loan to Dairy Corp. is understood to be for about $350,000. It is secured by deposit of securities of such subsidiary companies as Mount Royal Dairies Ltd. and the profitable Edmonton City Dairy Ltd. Both banks hold some securities of Canada Dairies Ltd. as collateral.

Vendors' Agreement

Chief security of the Bank of Toronto is a document signed by John E. Russell, F. W. Scriven, F. Wellington Hay, F. H. Bidgood and Gideon Grant. Dairy Corp. is also a party. The five men sold their securities in Canada Dairies to Dairy Corp. They undertook to pay off the Bank of Toronto's loan of $325,000 to Canada Dairies. Each of the five was to pay off $12,500 annually. It is understood that the loan was re-

(Continued on page 2. col. 3)



Wholesale commodity prices advanced to 73.2 in the week ended Oct. 11 from 73.0 in the previous week, according to the index compiled by the Dominion Bureau of Statistics.

OPERA HATS

TOPPING the extensive selection of correct dress clothes featured by The T. Eaton Company is a new range of "Tress" collapsible opera hats, imported from England. We invite you to see them . . . in the privacy of a specially fitted room for that purpose in our modern new Men's Furnishings Department.

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need Constant supervision

In choosing trust investments, we try, through careful analysis, to select those that possess stability.

But conditions change; and so alertness in reviewing trust investments — and open-mindedness in changing them—are equally necessary.

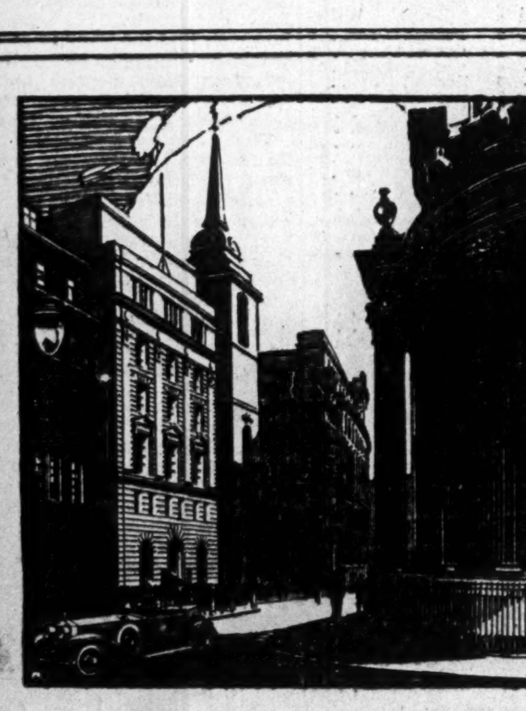
The management of trust investments is a never-ending task. Group judgment, experience and the data available to a financial institution are all needed to accomplish it successfully.

Crown Trust Company

EXECUTORS TRUSTEES

FINANCIAL AGENTS

393 ST. JAMES STREET WEST MONTREAL



AT HOME AND ABROAD

The Royal Bank serves Canadians both at home and abroad. In old London, for example, a branch of The Bank, across the street from the Bank of England, gives efficient aid to Canadian enterprise and offers friendly services to Canadian visitors.

THE ROYAL BANK OF CANADA

The Nation's Business

(Continued from page 1)

be all things to all men. Their tactics were simple; to foment discontent by any means, no matter how dishonest, and then to attempt to capitalize on the discontent.

• • •

MR. STEVENS protested against mass buying. In the political field he was himself the great mass buyer.

From coast to coast he tried to buy votes.

Farmers have many votes. Therefore Mr. Stevens posed as the friend of the farmer.

Labor has many votes. So Mr. Stevens became the friend of Labor.

The mass votes of the veterans, of the housewives, of the merchants were all sought after in the same way.

The simplest mass tactic is denunciation. Therefore that became Mr. Stevens's chief weapon. The more distinguished and public-spirited the citizen, the more successful the corporation, the more vigorous was Mr. Stevens's gratuitous attack.

To the credit of the Canadian public stands the simple fact that Mr. Stevens's method did not work.

Most people are essentially honest. And they want their would-be leaders to be honest as well.

Farewell, Reconstructionists. What price Price Spreads now?

• • •

A Huge Bribe With Public Money

THE announced distribution, just prior to election, of some millions of dollars to a group of wheat pool farmers was wrong on many different counts.

It ranks as the most discreditable incident of the election campaign, altogether apart from the fact that it proved to have been barren of vote-getting power. It would still have been discreditable even if the money to make the payment were available, and if those who have been promised it were entitled to receive it.

If carried through, it imposes an immediate burden on the finances and credit of the country.

• • •

PARLIAMENT gave the government authority to guarantee the borrowings of the Canadian Wheat Board, in order that the Board might dispose of the wheat accumulated under "stabilization" operations, and pay when required minimum prices on the new crop to western farmers. Nowhere was there the remotest suggestion that the borrowing power of the Board or the guaranteeing power of Parliament might be used to obtain money from the banks to pay to a limited group of farmers a dividend on hoped for profits out of the McFarland stabilization operations.

It is conceivable that the wheat stabilization operations of the past five years may yet be wound up without the heavy loss at one time in prospect. At the end there may even be a profit. If there is a profit where should it go?

A just application would be for the benefit of those western farmers whose misfortunes, through crop failure, resulted in the wheat situation that has pulled the government out of its losses and made such profits possible. Any profits should be applied to writing off some of the many million dollars in farm relief which the government has advanced to prairie provincial governments for aid to farmers whose crop prospects have been blighted year after year by drought or by rust.

THE promised payment should be stopped by Mr. King. The fact that an improper payment was improperly promised by a government on the eve of an election constitutes no valid claim by those to whom it was promised.

Before any payments are made of speculative profits arising out of wheat stabilization operations are made, two things should happen. First, the profits should be realized. Next, there should be a careful examination to determine the equitable use of such profits.

And before any debt or liability is incurred by the Dominion Government in connection with its transactions with the Pool Selling Agency, there should be a thorough enquiry into all the circumstances.

• • •

THE manager of the Alberta Wheat Pool broadcast a statement on Friday night expressing gratitude to Premier Bennett and to the Canadian Wheat Board for a promised distribution of some $8 millions to pool members. Gratitude to the tax payers of Canada on whose credit and at whose cost the distribution will be made was not mentioned. The expression of gratitude to Bennett was followed by voting on the part of Alberta farmers equivalent to a demand for his resignation, although probably not on account of that particular act. But gratitude to the Wheat Board for anything they had to do with the matter really amounts to a declaration that the resignations of its members is due. Generosity to members of the wheat pool at the expense either of the people of Canada or of other farmers is something entirely outside of the functions laid down for that board.

DAIRY CORP. BANK LOANS TIGHT KNOT

(Continued from page 1)

duced to $130,000 by this method. The vendors were also to pay off old mortgages of $65,000 owned by Canada Dairies.

Meanwhile Mr. Russell and Mr. Hay have died. Estates have become involved. The Bank of Toronto retains its agreement and looks to either the signatories or their estates or to Dairy Corp. for payment.

Holding Company

Dairy Corporation of Canada is, of course, purely a holding company. Since it is incorporated under Ontario laws, non-issuance of the annual statement has not involved the legal problem which would result if the company were Dominion-incorporated. Direct assets of Dairy Corp. consist almost entirely of securities in its various subsidiaries. Hence, it can only pay off its bank liabilities by income from such securities. It has only the securities to offer as collateral and they are already pledged, mostly with the Bank of Montreal.

It is understood that unless some arrangement is made for obtaining securities to cover the Bank of Toronto's claims, Dairy Corp. might be unable to draw income from Canada Dairies for several years. J. A. Caulder, president of Dairy Corp., and other officials have been trying to work out some arrangement satisfactory to both the Bank of Toronto and the Bank of Montreal which would clarify the loan liabilities. Meanwhile investors in Dairy Corp. are likely to have to continue to depend on interim statements of the company. Although the capital reorganization of Dairy Corp. is complete, the company's affairs will remain deeply involved until the banking position is clarified.

Mount Royal Dairies

In clearing up final changes in securities in connection with the reorganization, the rate of interest on seven per cent general mortgage bonds of Mount Royal Dairies was reduced to five per cent. Of the $500,000 of these bonds, $323,000 is deposited as collateral with the Bank of Montreal.

A new issue of $510,750 of 3 1/3 per cent debentures of Mount Royal Dairies was made to the bank, to compensate interest arrears and concessions. Interest on these accrues from Jan. 1, 1937, and the debentures are redeemable at 66 2/3 per cent of face value after May 31, 1937. These rank for principal and interest after preferred and ordinary creditors.

Dominion's Trade Up $43 Millions For Six Months

Canada's exports were up $6 million in September this year over 1934. For the first six months of 1935 exports jumped more than $26 million in comparison with the same period last year.

Imports increased by more than $2 million in September and almost $16 million in the six-month period in comparison with the same period last year.

The comparative statement follows:

National Revenue for September and First Six Months of 1935

	1935	1934
	$	$
Exports:		
September	64,564,915	58,135,136
Six months	343,111,180	317,032,543
Imports:		
September	44,779,429	42,207,602
Six months	280,662,027	263,746,693
Customs, Excise:		
September	19,537,857	19,097,004
Six months	111,699,723	115,109,307
Income Taxes:		
September	2,479,024	2,097,913
Six months	63,767,436	47,301,458

PAPER MAKERS' PRICE PLANS UPSET AGAIN

(Continued from page 1)

dustry as a whole, there was not the least suspicion that the price increase plans would be upset.

An advance of at least $2 a ton had come to be accepted as a foregone conclusion. There was no assurance, of course, that the manufacturers could enforce the new rate but it was fully anticipated that the industry would make the attempt to secure a price increase that would compensate them for at least the increase in their production costs over the last 18 months.

Great Northern's action has put an effective crimp in the plans of the other operators and unless there is a totally unexpected development, it is doubtful if the price of newsprint can be advanced more than $1 a ton on next year's deliveries.

On two or three occasions of late publishers have attempted to break the solidarity of the ranks of those producers advocating a higher price. They were unsuccessful. Even producers believed that they had closed up all loopholes, and that nothing stood in the way of a $2.50 or $3 increase. The Canadian industry was almost all lined up and so was the greater part of the American industry. It was not expected that any producer would act contrary to a plan which promised to bring about a substantial improvement in their earning power. But they overlooked Great Northern.

Publishers in the United States have hailed with delight the step taken by Great Northern. Most of them had become resigned to the prospect of a price increase of $2.50 a ton or better.

Although it is still too early to get a cross-section of opinion among the publishers, most of them will endorse the sentiments expressed by one of the larger buyers who sees in Great Northern a manufacturer who has the welfare of the publishers at heart.

Receive Bad Setbock

Canadian manufacturers have not given voice to their disappointment. Every move to date has been made on the assumption that a price increase would go through. Plans have been badly dislocated by Great Northern's action.

Matter Not Closed

It cannot be said at this time that an increase of more than $1 a ton over the 1934 price is out of the question. Great Northern's mill is now operating near capacity and sufficient business has been signed up in the last few days to assure full capacity operations next year. The balance of the industry may take the stand of attempting to get a higher price knowing that Great Northern cannot take more tonnage.

Obstacles in the Way

There are several obstacles in the way of such a policy. In the first place there is no assurance that other manufacturers will not follow the lead set by Great Northern. Finch has already done so, and other companies may follow suit.

It is not expected that any of the Canadian "short" companies will break away and fill up their mills with orders at the new price. But it becomes increasingly difficult for the "long" companies to keep them in line.

Contracts Kick Back

Then there is the matter of contracts. The fact that Great Northern has established a rate for 1936 means that a higher price cannot be secured from the majority of other contract holders. Great Northern is a price-setting mill and the one-price contract policy of the industry is, in this case, working against the interests of the manufacturers.

Another factor in the situation is that an attempt to enforce an increase of more than $1 a ton would alienate the goodwill of the American publisher. The Canadian companies are not in a position to do this because of a buyers' market.

Prospects Are Gloomy

While there has been no official word from the Canadian producers, International Paper and other American operators, the opinion is that the manufacturers will have to be content with $41 newsprint in 1936, instead of $42.50 or $43 newsprint as was anticipated up to the end of last week.

Views on sale of Great Lakes Paper Co., as an influence on the industry, are reported on page 4.

Metal Prices

New York—Oct. 15—
Copper: Electrolytic spot and future, $9.25.
Silver: 65⅜c.
London—Oct. 15—
(Long Ton)—
Copper: Electrolytic spot, £40; future, £40 15s. Standard spot, £35 5s; future, £35 12s 6d.
Tin: Spot, £241 10s; future, £224 17s 6d.
Lead: Spot, £18 12s; future, £18 12s 6d.
Zinc: Spot, £16 5s; future, £16 12s 6d.
Gold: 141s. 9d.
Silver: 29⅝d.
Canada—Oct. 15—
Gold: $30.31.

KING AND HIS CABINET

(Continued from page 1)

when our own people were unemployed? Better spend money, he thought, putting our own people on the land and employ the immigration officials in that work. Official Ottawa had not thought of that before and Mr. Gordon had to fight for it. He succeeded beyond his expectations, putting over 100,000 unemployed into healthy employment and happy homes on the land.

Support of Sound Labor

With such work, happily, the sound but less talkative labor leaders are in hearty sympathy. They have the vision to see that the more men and women taken out of the commercial and industrial ranks, the less competition trade unionists will have. But the professional unionist does not want this. He wants to retain his paying membership, and often the political influence he can exert through numbers to serve his own ends.

A prime minister with successful executive experience and leadership would call his similarly trained ministers—those in agriculture, trade and commerce, and finance mainly—to co-operate and work with the Minister of Labor, or Employment as he should now be named. This Mr. King can do if he finds the right men for these positions.

One of their immediate objectives would be to create profitable employment as all of us engaged in business are doing today. The Minister of Agriculture could cooperate in placing them on the farm. The Minister of Trade and Commerce could make his chief objective the finding of markets for the products—first of all by such regulations and control as would compel us to turn out the best quality, give the best service and at the lowest prices to meet competition in foreign markets. The Minister of Finance could aid in trade treaties and other arrangements.

I have told the Gordon story as an example of what Canada needs so much; what Prime Ministers and Mr. King in particular must have if he would successfully serve Canada.

What King Could Do

In forming their cabinets, Macdonald and Laurier set Mr. King an excellent example. Since their day our cabinets have not averaged nearly so well. Our present practice makes it very difficult for a prime minister to select the best men or even good men to fill the most important positions in the government of the country. While Mr. King has always been strong for Democracy, surely by now he must, like Bernard Shaw, have gained the wisdom which experience teaches and have come to the conclusion that "Democracy is the last refuge of cheap misgovernment," and to seek, as Laurier did, successful administrators rather than to select untried politicians without executive experience.

B. C. Power Output

An output of 994,442,000 kilowatt hours from the central electric stations of British Columbia in the first eight months of the year, compared with 927,182,000 kw.h.

Nova Scotia Manager

HUGH CANNELL
Appointed Nova Scotia manager at Halifax for the Montreal Life Insurance Co.

KING WILL ATTACK NATIONAL PROBLEMS

(Continued from page 1)

pansion policy now threatening so many Canadian export products.

No changes in actual tariffs will be made until the 1936 budget is brought down.

The resignation of John I. McFarland as head of the Wheat Board is expected to coincide with Mr. Bennett's resignation as prime minister. It is most probable that the entire personnel of this board will be replaced.

Fate of New Deal

The fate of the Bennett new deal legislation will turn largely on the Dominion-provincial conference. The chances are it will go to the Supreme Court so that the Dominion and the provinces will know where they stand in time to enact legislation, if necessary, at the 1936 sessions. There is not apparent at Ottawa, any intention upon the part of the incoming Liberals to withdraw any useful part of such legislation as the 8-hour day, the Weekly Day of Rest, etc., provided it stands up in the courts.

Marketing Acts

As to marketing legislation, with upwards of 20 schemes in operation it is believed no drastic action will be taken immediately to upset the legislation. But amendments will certainly be offered at the next session of parliament, the intention now being to withdraw from local boards arbitrary powers and from the Government the power to control export trade. In future all schemes will probably have to go through parliament in the form of statutes.

The nationalization of the Bank of Canada will be brought about by statute next session. Legislation covering control of the sale of securities will also be introduced. Legislative steps will be taken to set up a Dominion loans council although, here, consent of the provinces is essential.

Insurance and Combines

The unemployment insurance act will be continued without interruption or change at least until such time as reference is made in the courts regarding its constitutionality. It is thought however, there may be some changes in personnel.

The trade and industry commission act will be modified at the next session and its enforcement will not be left with the tariff commission. The Government will either seek to repeal the section providing for approval of combines or will decline to do so by order-in-council. Whatever is done with respect to the combines act this statute will be strengthened and rigidly enforced. Fred McGregor undoubtedly will be in command of the enforcement.

Selection of Cabinet

In selecting a cabinet Mr. King undoubtedly will follow the procedure of 1921, 1925 and 1926. He will choose his first lieutenants and seek their counsel with respect to the rest of the ministry. The first lieutenants consulted in 1926 were Messrs. Ernest Lapointe, the late J. A. Robb and Hon. Charles Dunning. Mr. Lapointe still ranks as the first lieutenant and is already in touch with his leader. Who the lieutenant from English-speaking Canada will be is more doubtful. Premier Mitchell Hepburn of Ontario would naturally receive the first bid but is thought certain to decline. He would be consulted because of his effort on behalf of the party in Ontario. The second choice may well be Hon. Chas. A. Dunning but it is abundantly apparent that general reports in circulation foretelling the entry of the former minister of finance into the new government (and in the same portfolio) are greatly exaggerated. Mr. Dunning is well launched on a business career. To return to Ottawa would mean a very serious personal sacrifice to him.

Cabinet Material

Cabinet timber may be listed as follows, the men being listed in order of preference:

Nova Scotia: Premier Angus Macdonald, J. L. Ilsley, William Duff.

New Brunswick: J. E. Michaud and Peter Veniot.

Quebec: Ernest Lapointe, P. J. A. Cardin, Fernand Rinfret and Lucien Cannon. The English-speaking minister almost certainly will be Charles B. Howard, of Sherbrooke.

Ontario: Premier Hepburn, Hon. C. A. Dunning, Hon. W. D. Euler, Hon. J. C. Elliott, C. D. Howe (Port Arthur); Norman Rogers, Ross Gray, Arthur Slaght, Samuel Factor.

Manitoba: Hon. T. A. Crerar and Premier John Bracken.

Saskatchewan: Premier J. G. Gardiner.

Alberta: Hon. Charles Stewart or J. A. Mackinnon.

British Columbia: Hon. Ian Mackenzie.

Obituary

John Dick, of Cobourg, president of the Cobourg Matting and Carpet Co., a leader for many years in the jute and bag industry, died recently in his 85th year. He had been retired from active business since 1913.

John C. Hay, of Listowel, Ont., whose career included gold mining, railroad building, merchandising, banking and manufacturing, died in his 86th year recently. He was first president of the Retail Coal Dealers' Association.

Malcolm A. Macfarlane, former branch manager of the Canadian Bank of Commerce, died at Montreal in his 63rd year. He began his career in the Eastern Townships Bank and retired in 1933.

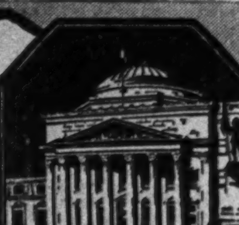
George W. Mayer, former vice-president and head of the marketing department of Imperial Oil Ltd., died in his 82nd year at Oakville, Ont. He was also formerly director of Standard Oil, (New Jersey).

Robert Northey, president of the Telfer Paper Box Co., died in Buffalo General Hospital recently in his 81st year. Since 1882 he had been a familiar figure in manufacturing and commercial circles in Toronto.

Charles de La Plante, retired banker, died recently in Toronto. He was former manager of the Ottawa branch of the Standard Bank and later joined the executive staff of the Bank of Commerce.

John B. Rutherford, senior partner of the accounting firm of Rutherford, Molson, Williamson and Cushing, of Montreal, died recently in his 39th year.

Frederick J. Sparling managing director of the National Life Assurance Co., died in Atlantic City from pneumonia recently.



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MODERN, EFFICIENT BANKING SERVICE .... the outcome of 117 years' successful operation ....

Simpson's
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Features

M. W. Locke

Shoes for Men - $10

There is no reason why men should suffer from tired, weary feet, with all the attendant ills, when M. W. Locke shoes have been especially constructed with correction features to keep the feet doing their job properly.

Such features as flexible "Cookie" insoles —special wedges in sole and heel to crown the arches—and the anatomical heel, do wonders to make walking enjoyable.

You may choose from three distinct types of last, kid or calf leathers. The range is complete, widths AAA to EE, sizes 6 to 12. At $10.

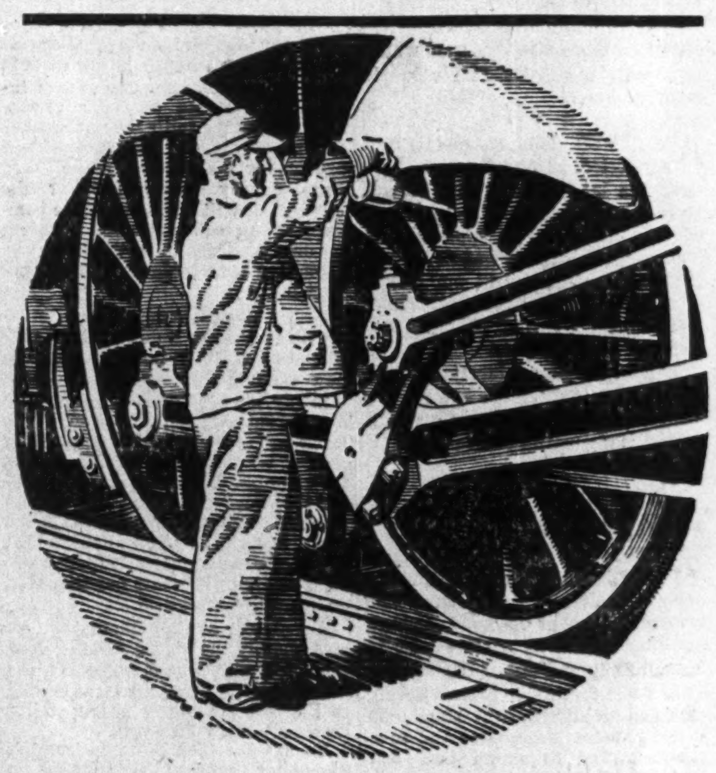
EXCLUSIVE IN TORONTO WITH

THE ROBERT SIMPSON COMPANY LIMITED

Adelaide-Peter Bldgs. Pays June 1 Interest

Interest coupon No. 13, due June 1 1935, on the 6¼ per cent first mortgage bonds of Adelaide-Peter Buildings was paid Oct. 15, 1935. There are now no arrears outstanding on the bonds.

Monthly rentals, according to Stewart, Sully Co., continue to show little change. It is impossible, it is stated, to tell when the coupon due Dec. 1, 1935 will be paid.



Credit as Required

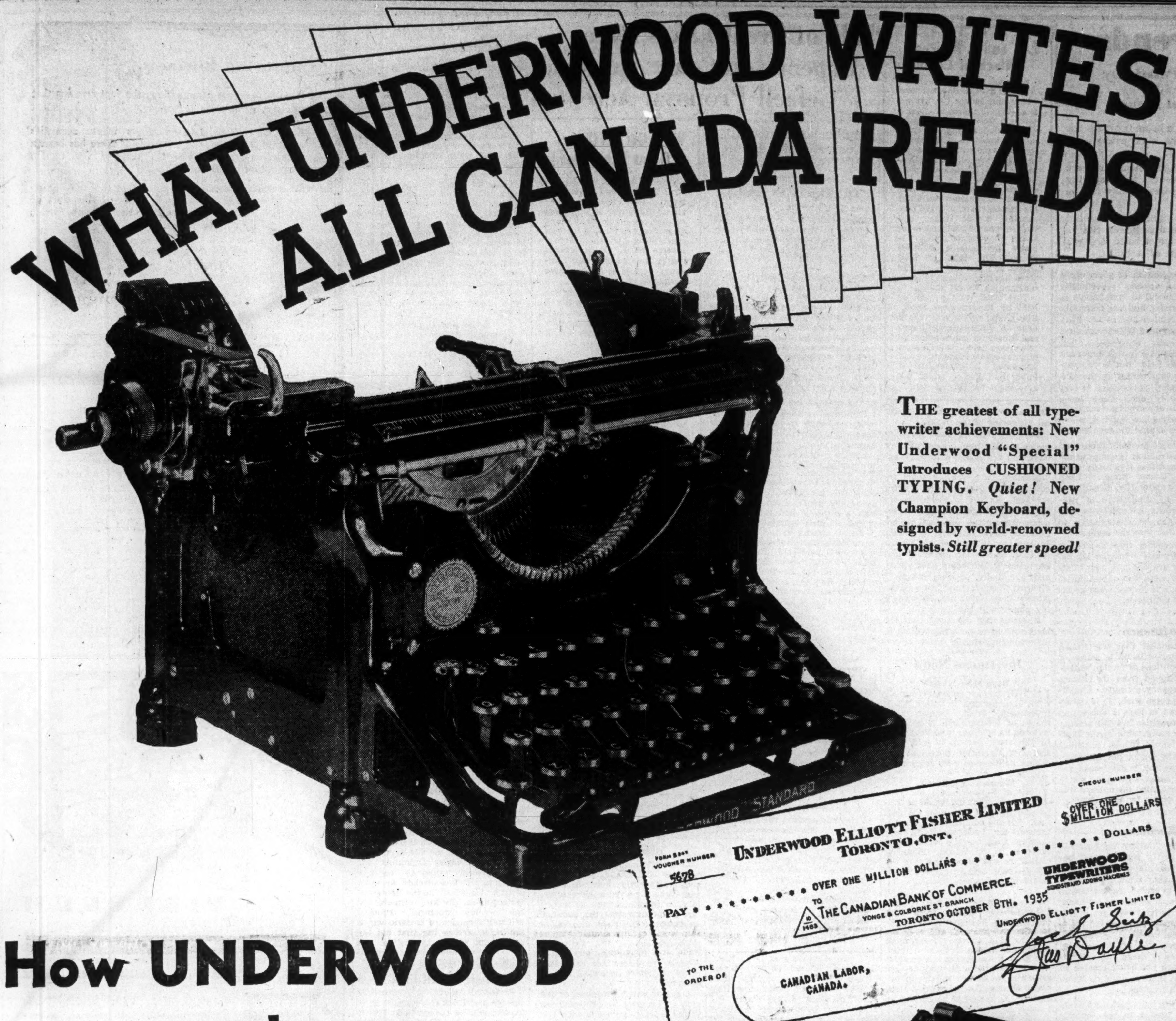
Trade is vital to our national existence, and Credit is a first necessity. Credit lubricates the machinery of Trade, and keeps it running smoothly. A large percentage of The Dominion Bank's resources is always reserved for Credits to stimulate agriculture, industry, and sound trading, domestic and foreign. 391

THE DOMINION BANK
ESTABLISHED 1871

C. H. CARLISLE, President

DUDLEY DAWSON, General Manager

Paid Up Capital - - - - - - $7,000,000
Reserve Fund and Undivided Profits $7,540,000



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$ OVER ONE MILLION DOLLARS

PAY ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ OVER ONE MILLION DOLLARS ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ ✱ DOLLARS

TO THE CANADIAN BANK OF COMMERCE.
YONGE & COLBORNE ST. BRANCH
TORONTO OCTOBER 8TH. 1935

10
1483

UNDERWOOD TYPEWRITERS
SUNDSTRAND ADDING MACHINES

TO THE ORDER OF CANADIAN LABOR, CANADA.

UNDERWOOD ELLIOTT FISHER LIMITED

How UNDERWOOD creates an endless chain of business

The butcher, the baker, the candlestick maker, everyone who works for a living, can trace the means of their livelihood directly or indirectly to the carriage of the Underwood Typewriter. . . . *Seven out of every ten typewriters used in Canada to-day are Underwoods.* Truly, what Underwood writes all Canada reads!

The Underwood is the fastest and most efficient of all typewriters . . . Twenty-five World's Professional Speed Championships, from first to last, have been won on the Underwood.

Underwood's contribution to Canadian business begins with the pay envelope of unskilled labor, and extends throughout every branch of trade, commerce and profession.

By no means the least important part of this contribution is an annual expenditure of over $1,000,000.00.

Twenty-one branch offices and two *complete* manufacturing plants (visits invited), constitute a Dominion-wide organization for sales and service—unparalleled!

Right now, the accelerated tempo of business calls for Underwood, the fastest, most efficient, economical and durable typewriter. Inspection in your own office invited. Demonstration of any Standard, Noiseless or Portable Underwood involves no obligation.

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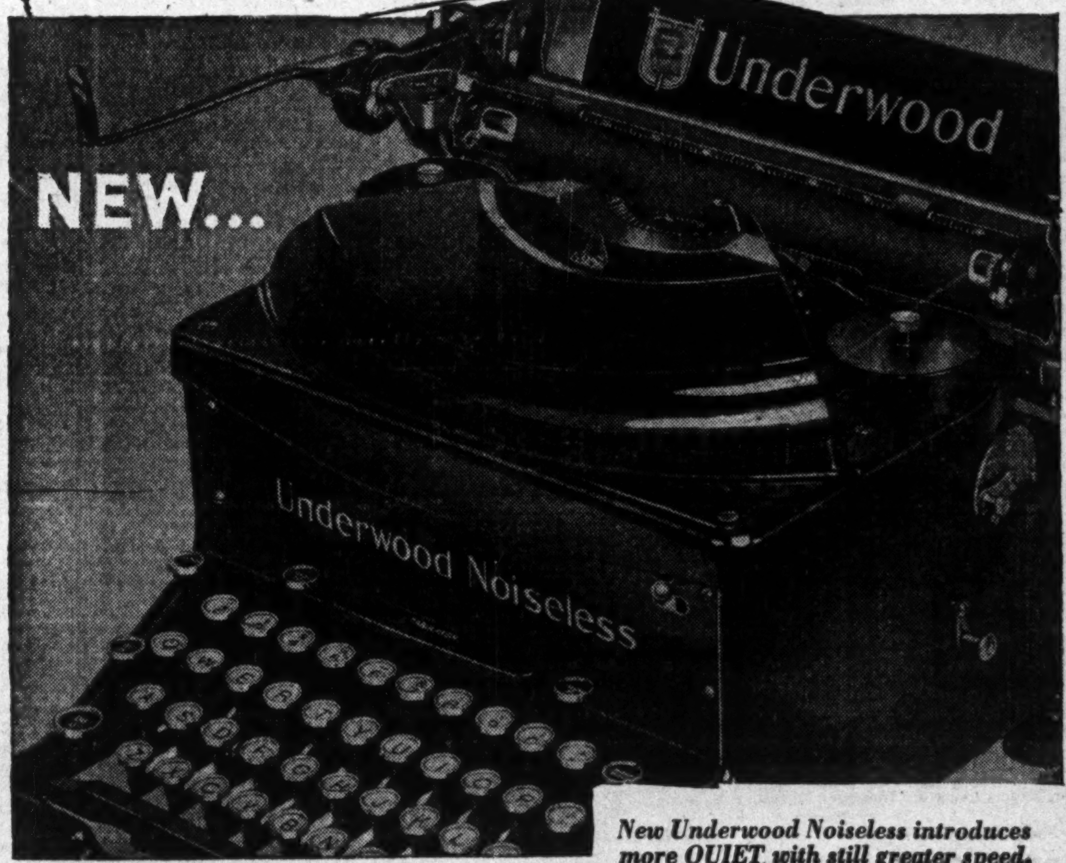
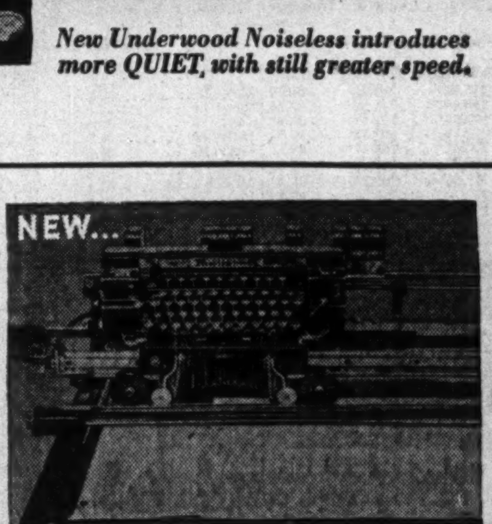
UNDERWOOD ELLIOTT FISHER LIMITED

Head Office and Factory: Toronto
Branches in All Canadian Cities
J. J. Seitz, President; J. L. Seitz, Vice-President



New Underwood Noiseless introduces more QUIET, with still greater speed.

New Underwood Sundstrand Adding Machine introduces 3 Point Control.



New Elliott Fisher Accounting Machine introduces All-Automatic features.

UNDERWOOD ELLIOTT FISHER

TYPEWRITERS, ADDING AND ACCOUNTING MACHINES

Speeds the World's Business

400,000 MORE JOBS

Wage-earners in Canada are finding more jobs.

You might not think so by watching relief rolls and costs, but if you would search out the good news, analyze the figures prepared and tabulated each month by the Dominion Bureau of Statistics. The bureau receives returns monthly from over 9,000 business firms which employ normally almost a million workers or about 45 per cent. of the total industrial working force of Canada.

Assuming this "sample" is still proportionately the same, what do we find? In short, that there are now about 2,770,000 people back at work, a gain of 4 per cent. or 115,000 compared with the same month a year ago. Compared with the autumn of 1932 this means employment at the present time for 460,000 more wage-earners.

Even while you read this, more men and women are going back to work. The Underwood Typewriter starts seven out of every ten deals that make more business for businesses, more work for workers.

C.P.R. Has Sharp Gain In Its Gross Revenue

Earnings of the Canadian Pacific Railway for the week ending October 3 showed an increase of $1,380,000 over the corresponding week a year ago, it was announced. Earnings for the week amounted to $4,811,000, compared with $3,431,000 last year.

Gain of 40.2 per cent., as indicated above for the period in question, marks the sharpest advance by the Canadian Pacific for many months. It compared with a gain of 10.5 per cent. for the latest reporting week in September. The week's heavy advance may be accounted for by the fact that last September and early October of 1934 showed declines from 1933. During August the C.P.R. showed decline of 52.5 per cent. in net income, while at the end of the first eight months decline in net was 23.9 per cent. Net income has declined, despite reasonably satisfactory reports on gross revenue due to a sharp advance in working costs.

It takes a lot of typing to produce sharp gains in revenue. Seventy out of every hundred companies use Underwoods to speed up business.

August Permits Are 14% Over Last Year

Building permits issued in August amounted to $4.3 millions, 0.6 per cent. above the previous month and 14 per cent. above the same month last year. These figures maintain the record of each month this year showing an increase over 1934; moreover, in every month except January, the total has been higher than in the corresponding month of 1933.

It is an endless chain. Underwood Typewriters turn out better letters, to build more profits, to buy more Underwoods, to turn out more letters.

Canadian National Gained In August

Operating revenues of the Canadian National Railways in August totalled $14,199,344, as compared with $13,532,418 in August, 1934, an increase of $666,926, it was announced.

Increased revenue results in increased correspondence. Nearly three-quarters of Canada's business letters are typed on the Underwood.

Sales of New Cars Up In Eight Months

Retail sales of new motor vehicles showed considerable improvement during the eight months ended August 31, when they totalled 80,448, an increase of 28.2 per cent. over the 62,753 in the corresponding period last year, the Dominion Bureau of Statistics reported. New motor vehicles sold during August numbered 5,353, slight increase, compared with 5,262 in August, 1934.

Underwood leads, too. Seven out of every ten new typewriters purchased this year have been Underwood Typewriters.

Dividend Payments Up

Dividend payments by Canadian corporations to their shareholders in September, as reported to E. A. Pierce and Company, members, Toronto Stock Exchange, amounted to $11,768,821, compared with $11,281,780 for the similar month of 1934, and $15,213,556 for September, 1933.

Cumulative total for the first nine months of 1935 of $141,223,790 shows an increase of 8.4 per cent., compared with $130,267,219 in corresponding months of 1934, and an increase of 37.3 per cent. over disbursements of $102,823,692 in the first nine months of 1933.

The Underwood Typewriter always pays dividends with faster and better work; another reason why seventy per cent. of the typewriters used in Canada today are Underwoods.

Canada Shows General Gain In Retail Sales

Retail trade in Canada in 1934 registered gains in almost all lines of merchandise. Returns are as yet incomplete, but an almost unbroken record of advances is exhibited by reports from nearly 10,000 independent stores whose sales form approximately 40 per cent. of the total sales of all independent stores. The greatest increase over the preceding year was shown by automobile dealer establishments, the aggregate business of 929 dealers in 1934 recording an increase of 40.2 per cent. over the sales of the same establishments in 1933. Lumber and building dealers ranked next in percentage increase of sales at 17.1 per cent.; followed by furniture stores 16 per cent., radio and music stores 16.1 per cent., family clothing stores 14.3 per cent., hardware stores 12.5 per cent., jewellery stores 12.5 per cent., and men's clothing and furnishing stores 12.4 per cent.

It is estimated that every hundred dollars' worth of retail business calls for an hour of typing. Orders, Letters, Receipts, Instructions, Statements, Typed records. And seven out of every ten typewriters on the job in Canada are Underwoods. If you can use a little more business, you can do with more Underwoods.

Investment Trends

Inflation Acknowledged Possibility

• • •

Election Alters Investment Scene

The possibility that inflation may bring a boom in stocks has been made more apparent. Although there is no evidence of inflation in stocks yet, the scene is set for it.

While the general election has cleared the financial air, there may be some adverse investment consequences too. Tapering off of government works expenditures, however, may not be unfavorable.

Liquidation of Italian securities requisitioned by Mussolini may have only a passing tendency to depress prices. Stocks veer upward on every opportunity, indicative of basic strength of markets. Bank shares hold some promise of stability.

Official Inflation

POSSIBILITY of a violent credit inflation boosting stock prices to dizzy heights has become official. President Charles R. Gay of the New York Stock Exchange made it so in his recent warning against inflation dangers. Purely by coincidence, The Financial Post was saying the same thing in this column at the same time as Mr. Gay was saying it in New York.

Inflationary possibilities in the United States are of vital importance to Canadian investors. What happens there is altogether likely to spread across the border.

With a life-long experience in finance and investment, Mr. Gay expresses views of consequence to every investor. Extracts from his address speak for themselves:

> "I am not predicting that stock prices will become inflated. I recognize, however, that the stock market provides an inviting field where this might occur. . . .
>
> "Given a sufficient degree of confidence, or perhaps of desperation, or even of reckless boredom over the prolonged idleness of money, a situation could develop which would threaten the gravest consequences through an upward flight of security prices . . .
>
> "As yet, so far as I can see, we have no evidence of any inflation in stocks due to the over use of credit . . .
>
> "The position today is entirely sound, from the standpoint of credit directly employed in the security markets . . . But we should not close our eyes to the inflammability of the material we are dealing with and to the fact that inflation, if it should once get started, might sweep through the markets as a fire sweeps through a city of wooden houses."

Various mechanisms exist for control of security prices. There remains, however, the control of money. The gigantic volume of excess bank reserves in the American money markets is the crux of the inflation danger. Says Mr. Gay:

> "Unless this factor is properly controlled, there may be again in the future a wild and runaway stock market culminating in a crash as violent and as dangerous as that of 1929."

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In Election's Wake

POLITICALLY the Dominion election is settled for a long term. For the investor, however, the change in the course of the ship of state leaves a confused wake. Depending on the investment, the outlook has changed for good or ill, as outlined in the accompanying article on this page. A summary of the more apparent investment consequences of the election follows:

Bank of Canada stock dangerous above $50 a share.

Financial institutions—Decline of third parties promises some surcease from bitter attacks by demagogs.

Textile shares—Warnings against possible tariff changes justified. Textile stocks remain unattractive pending delineation of government policies.

C.P.R.—There is no definite indication that the new government will be bold in tackling the railway problem.

Milling companies—Prospects for maintenance of Winnipeg wheat prices in line with Liverpool levels apparently improved. May benefit particularly Maple Leaf Milling, Western Canada Flour, Ogilvie's, Lake of the Woods.

Government bonds—Conversion fears may be allayed. Although some national plan of refunding is hardly to be avoided. This should help provincial and municipal credit.

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Capital Goods

A TAPERING-OFF of government expenditures on capital works may result from election of a new government at Ottawa. Pre-election outlays have benefitted Canadian Dredge and a number of construction firms. The course of U.S. government works expenditures is also expected to be downward by degrees. Diminution of government expenditures appears superficially to be detrimental to investments in heavy industries, building materials, steel, construction and so on. This, however, may be a false impression.

Governmental construction has expanded business in this important capital goods field. But by increasing deficits and confusing the taxation prospect, government works have probably done more harm than good. In any event governments can only prime the building pump and perhaps cannot do even that.

Already there are indications that private construction is going ahead in Canada and that it is ready to do so in the United States. Cheap money helps materially. Creation of confidence by diminution of government works expenditures and deficits might be encouraging to building rather than the reverse.

Normal recovery from depression sees capital goods industries lag behind. They are doing it now. This leads to the view that opportunities for profitable investment are greatest in such industries.

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Italian Influence

IT IS estimated that the Italian government will be a seller of some $450 millions of foreign securities requisitioned from its citizens as an emergency measure. Liquidation is expected soon. It is naturally expected to have a depressing effect on securities but the amount will not be comparable to the 1914-15 liquidation of British securities in New York which helped soften prices for months. It may mean another of the lesser depressions which have merely dented the upward line of security prices for three years.

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Behind Recovery

IDLE money, improving business, and the partly psychological belief of investors that prices for stocks are going higher remain the major factors in repeated recoveries in stock prices. Intermittent set-backs have been keeping averages in Toronto and Montreal below the year's peaks. Prices continue to veer upward, however, from each recession. When money is cheap and new investments are not being created in any volume, there is natural, inherent strength in stocks.

In New York industrial stock averages have tended to rise sharply but have been impeded by railway stocks acting as ball and chain. The railway business promises to revive but slowly, until there is widespread improvement in capital goods trades. The drag of railway shares on industrials may be preventing a runaway market, keeping Wall Street champing at the bit.

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Bank Shares

WITHOUT apparent reason, shares of the Canadian banks have bounced up from their recent lows. Declaration of regular dividends by the Royal and the Toronto helped. So does cessation of political badgering of the banks.

Dividend declarations by the Commerce and Montreal are due in a few days, and are expected to be "regular."

Stability, and possibly some recovery, of earnings is the next year's prospect. As long as the banks are loaded with huge holdings of government securities, prospects are not good for major increases in profits. Investments in bank shares do not promise spectatular capital profits immediately, but return good yields, and, eventually, as more money is diverted to commercial loans and as interest rates strengthen, bank earning power will gain.

It seems fair comment that the banks are at or near the bottom of their earnings slump.

I. P. and P. Retires Block of Common

From Our Own Correspondent

MONTREAL.—International Paper and Power Co. has retired 166,142 shares of Class A common stock, to leave 832,293 shares outstanding, carrying out the mandate of the stockholders voted at the annual meeting, according to statement filed by the company with the New York Stock Exchange. The company also has retired 176,933 shares of Class B common stock, to leave outstanding 821,502 shares, and has retired 376,258 shares of Class C common stock, to leave outstanding 2,122,086 shares. The total of 7,334 shares of 7 per cent preferred stock has been retired to leave outstanding 920,491 shares.

This stock was previously held by International Securities Corp., which was turned over to International Paper and Power for cancellation, or which was held by subsidiaries of International Securities and purchased by International Paper and Power under the agreement for cancellation.

Investment Notes

Buys More Nickel

IN THE quarter ended September 30, Incorporated Investors, U. S. Investment Trust, bought 5,000 shares of International Nickel, increasing its holdings to 45,000 shares. In the same period, it sold 4,000 shares of MacIntyre Porcupine, reducing holdings to 9,000 shares.

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Simpson's Preferred

JUMP of Simpson's 6½ per cent preferred following defeat of "Reconstruction" is attributed to just that. But the company is more optimistic for better business and earnings from possible tariff reductions, it is understood. Financial circles are now more hopeful of the full dividend being resumed, which would lift the shares.

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Hydro and Mr. King

HOLDERS of Quebec power bonds affected by the Hydro contract dispute need not be perturbed over election of a Liberal Government at Ottawa. It may even be helpful. Mr. King, a conciliator, is a contrast with Mr. Hepburn. He may be able to settle the Hydro difference between Messrs. Taschereau and Hepburn to the benefit of bondholders.

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Investment Opinion

IN CONSIDERING investment in bonds as in stocks, the advice of V. R. Smith, general manager of the Confederation Life, is worthy of reiteration. Says he:

"A limited amount of investment might be considered in Canada in preferred or common stocks in companies showing a steady record of earnings throughout the lean, as well as the good years, with substantial working capital, little or no funded debt, and with a conservative record as regards depleting reserves to pay dividends.

"Bond investments should be made, at this time of low yields, in issues of medium date, both for government and industrial issues."

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	17	6	4	4	10	18	8	87	20	112
1929-34:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	68.5	27.3	44.0	30.5	38.6
Monthly Figures, 1935:										
January	129.4	14.0	71.5	181.5	75.8	134.2	106.8	129.7	50.4	90.5
February	126.4	13.4	67.4	197.7	75.6	131.3	108.1	128.8	49.4	89.6
March	117.0	11.6	56.0	176.0	74.1	126.5	101.6	125.6	45.1	86.1
April	119.4	11.1	56.9	178.6	73.1	125.1	99.6	130.8	43.8	88.5
May	121.9	10.8	59.9	211.7	70.3	127.8	102.4	144.4	44.4	96.8
June	118.6	10.5	58.4	217.9	67.2	127.0	104.7	145.2	45.0	97.1
July	122.2	10.6	57.4	210.6	66.7	128.5	116.7	143.8	44.7	95.5
August	122.1	12.0	59.3	210.0	65.5	130.1	122.9	146.1	47.7	98.2
September	118.7	12.4	61.2	206.6	61.8	128.7	126.5	147.1	46.3	97.5
Weekly Figures, 1935:										
Oct. 3	114.1	12.1	59.6	201.2	60.1	130.0	119.1	144.1	44.3	94.7
Oct. 10	113.6	12.1	59.8	205.8	60.2	130.5	119.6	147.5	44.1	96.3

*High and low of years from 1929 to 1934 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Oct. 15	111.94	103.79	94.34
Oct. 14	110.49	101.68	93.54
Oct. 12	109.93	101.87	93.41
Oct. 11	109.19	101.72	93.67
Oct. 10	108.61	102.47	84.17
Oct. 9	107.72	101.07	93.52
Month ago	111.56	105.23	93.36
Year ago	100.70	125.13	87.19
High, 1935	114.74	123.68	103.99
Low, 1935	97.90	96.70	80.83

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Oct. 15	62.0	59.1	60.1
Oct. 14	62.2	58.5	59.7
Oct. 12	62.5	58.5	59.8
Oct. 11	61.8	57.8	59.2
Oct. 10	59.2	57.6	57.5
Oct. 9	59.0	56.1	57.1
Month ago	61.1	60.1	60.4
Year ago	62.3	57.1	58.8
High, 1935	64.2	63.1	63.0
Low, 1935	56.1	54.8	56.1

Sale of Great Lakes Paper Depends on Court Approval; Gefaell Proposal Accepted

Bondholders Satisfied — Court Decision Before Christmas

OPPOSITION FAILS

Large Holders Vote Against Offer in Interests of Other Newsprint Investments

Whether or not assets of Great Lakes Paper Co. will be sold to John E. Gefaell and Lynn E. Aldrich, Chicago, now rests with the Supreme Court of Ontario. A decision is expected before Christmas.

At the eleventh hour on Oct. 15, bondholders decided by a large vote at their meeting in Toronto to accept what is now termed the Gefaell offer. The decision followed wordy deliberations for over four hours.

Sentiment for Gefaell Bid

Sentiment of the meeting was obviously strongly in favor of acceptance of the Gefaell bid. Several unsuccessful efforts were made to sidetrack the meeting into sympathy for the newsprint industry as a whole. But bondholders greatly preferred to take the Gefaell bid as the best thing for themselves, without worrying too much about whether it was a good or bad thing for the newsprint price structure.

Verbal attacks on the Gefaell bid were numerous. But the only serious voting against it was recorded by Louis Lang, Kitchener, dissenting member of the bondholders' committee. He cast ballots for large institutional investors.

Meighen Move

Rt. Hon. Arthur Meighen, K.C., chairman of the bondholders' committee, recommended and moved acceptance of the Gefaell offer. The vote for and against acceptance was:

Acceptance of Gefaell-Aldrich Offer

Represented	$6,052,900	60.5% of issue
For	*4,627,200	77.1% of vote
Against	†1,374,000	22.9% of vote

*Includes $67,700 of proxies subject to verification.

†Includes $10,000 of proxies subject to verification.

Mr. Meighen's motion was the only one placed before the meeting. After 2½ hours' discussion, it was voted on, approved, and the meeting concluded. Hence none of the other four offers for the assets was put to a vote.

Institutional "Nays"

Votes cast against the Gefaell offer were chiefly those proxies held by Mr. Lang. He explained that he felt the newsprint industry as a whole should be protected.

It was on this point that the meeting's discussion centred. That is, whether sale of assets of Great Lakes Paper Co. to the Gefaell-Aldrich group of mid-west publishers would disturb efforts of other newsprint firms to improve the price of newsprint to the benefit of the industry as a whole.

It is understood that large bondholders considered the Gefaell deal injurious to their depreciated holdings of newsprint bonds other than those of Great Lakes Paper Co. Hence Mr. Lang's vote "against." His proxies represented over $1 million of the $1,374,000 of bonds voted "against," it is understood.

Difference of Opinion

The Financial Post is informed that institutional holders were not unanimously opposed to acceptance of the Gefaell offer. At least two life companies are understood to have favored acceptance. But they kept the united front "against" by leaving their proxies with Mr. Lang. Had he favored the Gefaell offer or refrained from voting apparently there would have been over 90 per cent approval.

Conclusion of the meeting means that the acceptance of the offer must now be taken to court for approval under the 1935 amendment of the Ontario Judicature Act. Under this statute, acceptance of the Gefaell offer can be made binding upon all bondholders.

To get court approval, the scheme must be presented on the basis of a 50 per cent vote of bondholders "or on such lesser vote as the court may see fit to accept." The Gefaell offer was accepted by over 77 per cent of the vote cast at the meeting. But votes in acceptance totalled only 46.3 per cent of the $10 millions of outstanding Great Lakes bonds.

Phases for Court

It is understood that efforts will be made to have additional bondholders in the United States circularized for approval of the Gefaell offer. This, it is felt, may have some influence in court.

Contracts of publishers who are to purchase newsprint from Great Lakes Paper Co. under the Gefaell scheme will have to be in evidence in court. It is understood that evidence of completion of this portion of the offer will be available before Dec. 15, 1935. Hence the plan is expected to be present for court approval before that date.

Gefaell Concessions

In a letter to National Trust Co., receiver and manager for Great Lakes Paper Co., John E. Gefaell and Lynn E. Aldrich have offered to allow certain changes in their offer. They state that the bondholders' committee, if it desires, may ask the court to impose the following changes:

1. Up to 10 per cent of proposed A preferred shares may be awarded to the liquidator instead of to bondholders.
2. All or any A preferred or common shares may be deposited with voting trustees named by the committee.
3. The proposed prior lien bonds may be eliminated.
4. Non-fulfillment of reallocation of timber limits shall not relieve the offerors of their responsibility under their bid.
5. Sale may be closed with court approval by Dec. 15 with 10 per cent more or less than the extra 67,500 tons of newsprint offered.

Proceedings at Meeting

Rt. Hon. Arthur Meighen presented the majority view of the bondholders' committee to the meeting.

The R. O. Sweezey offer, he said, was set aside because of failure to offer attractive newsprint tonnage contracts.

The Canadian International Paper Co. offer, he said, "we did not consider attractive in any way."

He dealt with the offer of The Dominion Bank and the Continental Illinois National Bank & Trust Co. at length. The flaw, he said, was that the offer was based on an indeterminate lease to important American publishers. This lease has not even been drafted and even if the offer were accepted the lease might never be negotiated satisfactorily, he said.

Offer of Black Sturgeon Newsprint Ltd., that of the newsprint industry, was criticized by Mr. Meighen. The chief fault, he said, was that it left loopholes for any one member of the bidding group of newsprint firms to make the whole proposal ineffectual.

In recommending acceptance of the Gefaell-Aldrich offer, Mr. Meighen stated: "All that we're confident of is that under the offer we'll make more than under any other."

Attacks of Opponents

Foremost attack on the Gefaell proposal was made by Col. The Hon. J. L. Ralston, K.C., Montreal, on behalf of the newsprint industry. The feature of the proposal giving dividends to subscribing publishers, after bond interest and depreciation, was a menace to Great Lakes Paper Co. and to the industry, he said. He viewed it as a special concession to cut prices.

He was warmly criticized by several bondholders. One commented: "It sounds like the final exhortation at a revival meeting."

Peter White, K.C. spoke on behalf of the offer of the two banks. He claimed he was acting purely as a small individual bondholder. He deprecated Col. Ralston's case and the Black Sturgeon offer.

Louis Lang, in opposing the Gefaell offer, characterized the proposed dividends to publishers as "rebates." Said he: "A rebate is a rebate, no matter when it is paid . . . In 10 years time Great Lakes Paper Co. may again be in receivership."

Meighen in Debate

Mr. Meighen answered all criticisms of the Gefaell offer vigorously, demonstrating his debating skill even better than in his admittedly superlative efforts in Parliament. He drew loud applause from the assembly of small bondholders.

To the "rebate" criticism, Mr. Meighen replied: "I don't think it is possible for the publishers to get anything from their shares until the newsprint price structure improves. I don't think it should disturb the price structure."

What Gefaell Offers Great Lakes Bonds

Offer of John E. Gefaell and Lynn E. Aldrich for assets of Great Lakes Paper Co. guarantees 67,500 tons of additional newsprint tonnage for 10 years, at market prices. The score of subscribing publishers would receive 100,000 B preference shares in a proposed new company, carrying cumulative dividends of $2 a share.

There is $10 millions of six per cent first mortgage bonds of Great Lakes Paper Co. outstanding. In exchange for each $1,000 bond, the holder would get the following securities in a new company:

$600 of five per cent first mortgage bonds, due 1955.

Ten class A preference shares, carrying a cumulative dividend of $2 a share annually. This might be reduced to nine shares, at the will of the bondholders' committee.

Common stock up to 10 shares. The number of shares would depend on what proportion of the total 100,000 is given to the liquidator.

Sales Research Bureau Holds Annual Meeting

Combined annual meeting of the Life Insurance Sales Research Bureau of Hartford and the Association of Life Agency officers will be held Nov. 11-13 at Chicago.

No Canadians are listed on the official programme this year but the Nov. 13 session will be in charge of Henry E. North, formerly in charge of the Canadian head office of Metropolitan Life Insurance Co. Mr. North is now second vice-president of the company and is chairman of the executive committee of the Association of Life Agency Officers.

Canadian Dredge & Dock To Redeem All Preferred

Preferred stock of Canadian Dredge and Dock Co. amounting to $83,400, will be redeemed at $107.50 a share on Jan. 31, 1936. Holders have the right in the meantime to convert preferred shares into common at the rate of three common for one preferred share. Most of the preferred stock has been converted into common by holders since issue in 1928.

Further consideration of common dividends will be made after the close of the company's fiscal year, Jan. 31, 1936. The recent declaration of $1 a share dividend on the common stock indicates that earnings will be materially in excess of this amount in the current year.

Finds Canada's Credit Is Low in Great Britain

Editor, The Financial Post,—

I have recently returned from a six months' visit to Great Britain. I regret to say that the credit of Canada never stood lower than it does today in the financial markets.

On the day I left London, which was the same day as Aberhart's election in Alberta, it was almost impossible to get a bid on Canadian bonds, and a spread of ten points was common.

I spent much time in the "City" and conversed with many financial men. I was surprised how well-informed they were on Canadian affairs. For instance, I was informed that British Columbia, unable to raise a loan, had actually sold—"looted" to use the expression my informant did — $2½ millions of prime securities out of the sinking fund, and substituted a similar amount of their own bonds, and, mark you, not bought in the open market, but especially created for the purpose.

Not That Sort of Thing

"Why," said my informant, "one doesn't do that sort of thing. Those are trust funds belonging to the bondholders, just as much as if they were in the hands of a third party as trustee."

He also told me that the same province had, in order to build a bridge—which was opposed by the electorate—financed it by giving the contractor bonds especially created in lieu of cash. He said, "Of course the contractor ascertained the cash value of the bonds, and figured accordingly."

I was questioned so often on such matters as the Vancouver bond situation, the Ontario Hydro matter, Social Credit, the railway deficits, etc., that I really felt embarrassed and became very self-conscious. I felt that the very name of Canada was whispered under the breath, and at several country houses I noticed furtive and critical glances in my direction when I was introduced as a Canadian.

Forfeited Good Name

Much as I regret to have to say it, Canada has forfeited her good name for a long period. Honesty is unquestionably the best policy, even in tangible rewards. The savings effected by deliberate repudiation will be small compared to the higher rate of interest we shall have to pay over the next few decades, and surely that should appeal to a calculating mind, even if the besmirching of one's good name is considered of little importance and having no cash value.

To chant songs like "Oh Canada, we stand on guard for thee" gets us nowhere unless we jealously guard our honor. Our physical protection is a matter which gives us little concern, and costs us practically nothing. Had we that extra burden to shoulder we might have some excuse for our financial delinquincies; fortunately, however, others have assumed that burden for us.

Income Tax Payment

I was told by a prominent London banker that Canada raised by way of income tax in the year 1934 a mere $60 millions. "That is to say," he said, "one and a half per cent of your national income, and paid by 150,000 people. You should raise another hundred million by spreading the tax over say a million people and applying the increase specifically to railway deficits and unemployment relief as long as you have these burdens. I guarantee you won't have them much longer if you do this. If you don't do it, the man who thinks he escapes Scot free will find that he will pay his share indirectly by the gradual destruction of the currency."

Our burden even at this late hour is still lighter than Australia's or New Zealand's, but unlike them we seem to be incapable of facing facts, hoping that something will turn up to obviate that unpleasant necessity. That is not the way character is developed, however. But then says the cynic. "What is character? Has it a market value?" "Our word was our bond." Let us, my fellow Canadians, see that it always is so, and when we go to Europe we can hold our heads high as we used to do.

JAMES J. CLUTERBUCK.
Victoria, B.C.

Improving Business

Despite temporary fluctuations the fact remains that business is steadily improving. This improvement is reflected in the earnings statements of many Canadian industrial corporations whose securities are held by investors. As a result there has been a decided appreciation in the demand for certain corporation bonds and shares.

Reasonable judgment indicates that this may be an opportune time to add to holdings of this class of security because of the attractive interest yields afforded by current prices.

Write for our list of desirable offerings at today's prices.

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Montreal Brokers' Loans Lowest Since August 1933

From Our Own Correspondent

MONTREAL. — Brokers' loans to members of the Montreal Stock Exchange totalled $16.8 millions as at September 30. This was the lowest since August 31, 1933, when they amounted to $16.6 millions. At the end of last August, the total was $17.3 millions, and on September 30, 1934, $19.9 millions.

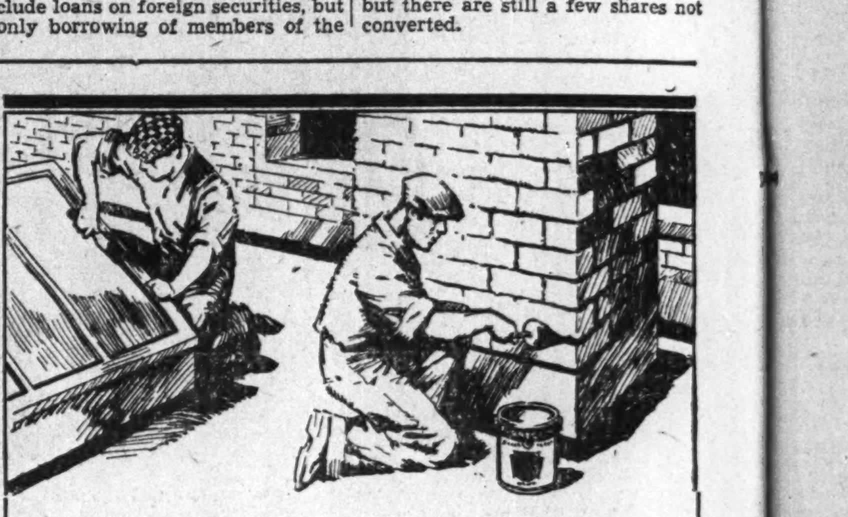
The ratio of brokers' loans to the value of all stock traded in on the Montreal Stock Exchange and the Montreal Curb Market as at the end of September, was 0.42, unchanged for the third consecutive month. On September 30 a year ago the ratio was 0.54.

The above borrowings do not include loans on foreign securities, but only borrowing of members of the Montreal Stock Exchange on Canadian securities. Nor do they include the borrowings of affiliate companies of Stock Exchange members.

Remove Dufferin Paving Shares from Exchange

Preferred and common shares of Dufferin Paving and Crushed Stone Ltd., have been withdrawn from trading on the Toronto Stock Exchange. The shares are convertible into debentures under a reorganization plan adopted earlier this year.

The company requested removal of its shares from trading in order that exchange of the stock for the debentures might be expedited. Most of the first preferred and common shares have been exchanged but there are still a few shares not converted.



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Sharp Rise in

QUEBEC'S GOLD PRODUCTION

FROM a modest $76,000 in 1926 to over $13,300,000 in 1934 is the notable record of gold production in the Province of Quebec.

Eleven mines are now producing bullion in this fast-growing area . . . many prospective properties are undergoing development.

Given the important factor of efficient management, experience shows that investment in Canada's gold mines has proved profitable to those who have accepted the risks inevitable in the development stage of making a mine.

We believe that the shares of **PERRON GOLD MINES LIMITED** (No Personal Liability) *offer attractive possibilities, based on the promising conditions revealed by development to date.*

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BROCKVILLE ONTARIO

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Bonds —

Election Boosts Prices
Conversion Fear Wanes
Westerns, Industrials Up
New Loans Expected

Election of the Liberal government at Ottawa boosted Canadian bond prices all along the line, government, municipal and corporation issues strengthening in the week ended Oct. 15.

Government issues were particularly prominent in the advance. Fears of a nation-wide conversion loan, as proposed by Rt. Hon. R. B. Bennett, were allayed by the election results. Apprehension lest administration of government be split among differing blocs in Parliament was dismissed by the election.

Gain Two Points

The Financial Post daily average for government issues rose more than two points in the week, as shown below:

Average Yield and Price for Seven High Grade Canadian Bonds

1935	Yield %	Price $	1934	Yield %	Price $
Oct. 15	3.781	109.79	Oct. 15	3.857	109.79
Oct. 14	3.871	108.89	Oct. 13	3.857	109.79
Oct. 12	3.903	108.57	Oct. 12	3.851	109.86
Oct. 11	3.916	108.44	Oct. 11	3.853	109.83
Oct. 10	3.959	107.96	Oct. 10	3.854	109.81
Oct. 9	3.939	108.18	Oct. 9	3.853	109.83
Oct. 8	3.997	107.62	Oct. 6	3.854	109.81
Oct. 7	4.024	107.39	Oct. 5	3.849	109.89
Sep. 30	4.077	106.79	Sep. 29	3.814	110.32
Year's	3.367	114.97	Year's	3.373	115.00
Range	4.097	106.57	Range	4.517	102.54

Western provincial loans and many corporation bonds participated in the rise.

Financing Expected

One result now anticipated is that new financing, discouraged by the recent slump of bonds, will be forthcoming. Several municipal borrowers, including Ottawa and Westmount, have been awaiting improved prices before floating loans. The Canada Packers issue which is assured of large subscriptions may now be made.

Saskatchewan and other western provinces may attempt funding of floating debt. The western bonds remain comparatively low, however, despite recent gains. Social credit keeps Alberta's down. Trends are indicated in the following comparison:

Western Provincial Bonds

Issue:	Bid Prices Oct. 15	Oct. 8	Gain
Alberta 6%, 1947 ...	97½	96½	1
B. C. 6%, 1947	100½	100	½
Manitoba 6%, 1947 .	104½	103½	1
Sask. 6%, 1952	102½	101	1½

Hydro Contracts

Gains in corporation bonds were most marked for issues concerned in the Hydro contract repudiation. Bids for Beauharnois bonds rose more than a point. Gatineau Power issues gained up to three points. Maclaren-Quebec bonds jumped nine points, close to 70.

The view of Mr. King's position on the Hydro question is that he may act as a mediator. His election is considered helpful to bondholders in that he may mollify Ontario's Premier Hepburn.

Amusement Tax Revenue In Ontario Up $171,148

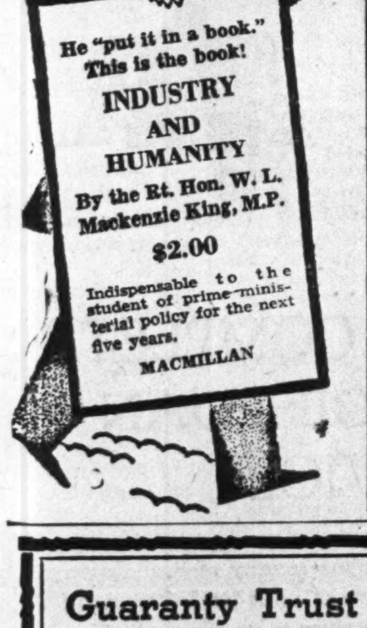
September's amusement tax revenue in Ontario was more than three times that for the same month in 1934. R. C. Buckley, director of amusement tax for the province, reports that in Sept., 1934, the tax collected totalled $68,752 and this year the revenue was $239,900 for the same month. Responsibility for the increase is the new schedule of amusement taxes recently imposed by the government.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Barcelona Trac.	6½%	1965	Dec. 1	‡100
Belding-Cort.	5%	1936	Nov. 1	105
Consumers Glass	5%	1948	Dec. 1	103
Int. P. & P. Nfld.	▲4½%	1948	Jan. 15	100
Mtl. Coke & Mfg.	5½%	1947	Dec. 1	102
Nat. Cement	7%	serial	Nov. 1	102
National Grocers.	6%	1948	Nov. 1	105
Ont. Steel Prod...	†6%	1943	Dec. 1	105
Riordon Pulp & P.	6%	1942	Dec. 31	■105

For sinking fund: ‡£15,100. *$23,900. ■$74,000 †$23,900. ▲As at Dec. 31, 1934.

Stock Issues:	Rate	Stock	Date	Price
Can. Gen. Elec.	7%	Pref.	Nov. 15	115
Can. Dredge & D.	7%	Pref.	Jan. 31	107½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Election Helpful To Security Prices

Textiles Unresponsive but Bank and Other Stocks Up

Stronger bond and stock markets on the day following the Dominion election apparently indicate that investors approved the Liberal victory.

The "street" was inclined to attribute this strength also to relief of investors, the financial and the business community that the election result was so decisive. Stable policies seem to be expected.

Bank of Canada Down

The stocks that declined were those of institutions like the Bank of Canada, where investors anticipated definite changes. Bank of Canada fell two points. Owners of the stock apparently expect Mr. King will take measures to end the career of the bank as one controlled by shareholders and make it a government institution. They fear that may mean calling the stock at par instead of the premium it has enjoyed since trading began last November.

Bank Stocks Advance

Substantial recovery in the value of bank stocks has been a feature of stock market operations since the beginning of the month. Up to the end of September there had been a long, steady decline in the value of these securities, more than one touching the lowest point reported in several years. Since the turn of the month there has been a stronger bid for the bank stocks and gains have ranged as high as 20 points. They stepped up higher in the day following the election.

The values of the stocks of the eight leading chartered banks at the end of September and up to October 15 follow:

Range of Prices

Bank:	Sept. 30	Oct. 14	Oct. 15
Can. Nationale	130	129½	130
Commerce	123	142¼	150½
Dominion	149	165	162
Imperial	159	170	170
Montreal	154	174	179¾
Nova Scotia	248	254	255
Royal	134	147	150
Toronto	187	200	200

Textiles Brave Storm

Strangely enough, stocks of textile companies did not fall in many instances. This is attributed to the fact that they have been discounting tariff changes by their weakness in recent months. It had been widely stated on many platforms that textile plants would have to close their doors if the Liberals followed their expressed policy of lowering the tariff and, to quote Mr. King, of doing away with all "arbitrary taxes and regulations which have had the effect of strangling the commerce of the nation, exploiting consumers and robbing railways of business." The pledge of Premier King to restore "trade with Japan upon a basis mutually beneficial in the case of each of these countries" was the one most frightening to textile company investors. Yet there was no rush to sell or to buy.

One reason for present stability of the shares is that from midsummer textile companies generally have been having a large increase in orders. In many lines the mills are sold ahead to the end of the year. Good business is in sight until the next budget comes down in any case. Except for cotton companies there has not been so much employment since 1926.

Large holders of shares of textile companies are drawing encouragement from the fact that of 120 ridings where textile companies operate, 92 returned Liberal members, 27 Conservatives and one a United Farmer of Ontario member. This adds to their belief that Premier King meant what he said when he intimated that no changes would be peremptory, but the result of careful investigation.

They point out that Premier King says the great problem ahead of Canada is to end unemployment. They think he will be very careful not to hurt materially the textile industries employing more than 50,000 people on the payroll.

British vs. Japs

All of the Canadian textile manufacturers fear Japanese competition more than British, but they believe British ideas will weigh heavily with the new government in re-writing the 1932 Ottawa agreements. Japan has cut heavily into Great Britain's trade in India and Egypt and it is not expected that Britain would be inclined to give Canada further trade advantages if the Dominion market is thrown open to Nippon. In this instance British and Canadian textile manufacturers will be fighting together against Japs for the Canadian market.

Merchandising Looks Up

Simpsons Ltd. shares had a sharp advance as soon as trading opened on October 15. The defeat of all reconstructionist candidates except the leader, Hon. H. H. Stevens, helped these shares and those of most of the food and chain store companies. These were attacked so violently during the campaign by many speakers that the result is regarded by many executives as a vindication. The departmental stores and chain stores also expect to be able to do better on the buying side if the Liberals succeed in their objective of negotiating a series of trade treaties on a reciprocal basis.

Ford of Canada

Ford of Canada "A" stock was strong. The fact that the automotive industry will be reviewed by the Tariff Board on January 7 next did not interfere with the market. Motor company executives state they are glad of the investigation and want the facts regarding costs and prices known.

Primaries in Favor

Mining stocks and all stocks of companies engaged in primary production advanced, as it is Liberal policy to throw the weight of the Government in with these. The first result on Massey-Harris and Cockshutt common stocks, however, was to depress the shares. Apparently the market believed that reduction of tariff might increase importations of farm machinery. The party is pledged to help the farmer in his desire to get as cheaply as possible all his necessaries and his machinery.

Construction and steel stocks maintained their position. It is possible that the reaction of bonds and stocks to the change will be more apparent when investors have a chance to study the choice of cabinet ministers by Premier King and when the provincial premiers are called to Ottawa to discuss co-operative policy.

C. P. R. Gains

Canadian Pacific Railway strengthened in the face of the new Premier's statement that he regarded the result as an overwhelming verdict against amalgamation of railroads. Yet Sir Edward Beatty had claimed that unified operation was essential to secure needed economies and to save further increases in the national debt. Probably investors think, however, that the Ottawa turnover will bring more trade and traffic and also perhaps other policies looking to a solution of the railway problem.

B. C. Fisheries Up Million

Fishery officials anticipate an increase of approximately a million dollars in the value of B.C. fisheries this year, the estimated value of fish and fish products being $16,500,000, compared with $9,900,000 in 1932; $12,000,000, in 1933 and $15,334,000 in 1934.

Dominion Stores Sales Down Only .22 Per Cent

A decrease in sales of only .22 per cent for the four weeks ended October 5 is reported by Dominion Stores Ltd. Since 14 fewer stores were operated in the four weeks than in the corresponding period of 1934, there has actually been an increase in average sales per store.

Sales for the four weeks amounted to $1,472,157, compared with $1,475,326 in the 1934 period.

For the first 40 weeks of 1935, sales have totalled $13.5 millions, compared with $14.7 millions in the same period of 1934. This is a decrease of nearly eight per cent, and was recorded mostly in the first six months of the year.

Bond Tenders

Dorval, Que.—Oct. 28, 5 p.m.—$35,000, 4 per cent bonds dated Nov. 1, maturing serially 1936-55. Horace Meloche, sec.-treas.

Drummondville, Que.—Oct. 29, 8 p.m.— $29,000, 4 per cent bonds dated Nov. 1, maturing serially 1936-65. Joseph Marier, sec.-treas.

Nicolet, Que.—Oct. 21, 6 p.m.—$96,000 or $108,500, 3½ or 4 per cent bonds maturing over 10 or 20 years. Honore Grenier, clerk.

Canadian Industries Ltd. See No Effect in Sanctions

From Our Own Correspondent

MONTREAL.—Operations of Canadian Industries Ltd. are not affected one way or the other by the Italian-Ethiopian conflict, according to a statement issued by A. B. Purvis, president. Application of sanctions against Italy will mean no loss in trade to Canada so far as munitions are concerned, and the listing of an embargo on shipments to Ethiopia would likewise not affect Canadian munitions manufacturers.

Actual finished munitions, or ammunition, it is stated, is only about one quarter of one per cent of the total business of the company. Furthermore that small proportion is entirely consumed by the Canadian Government, police departments and hunters.

Etobicoke Bondholders Unify for Protection

A protective committee for holders of debentures of the defaulting township of Etobicoke, Ont., has been formed by major debenture holders. Imminence of a debt adjustment plan, the committee states, makes it essential that investors be organized to protect their interests in negotiations.

Bondholders have been urged to deposit their securities with the Toronto General Trusts Corp. at Toronto, Montreal, Ottawa, or Windsor. Members of the committee are W. J. Beattie, H. C. Myers, J. M. McWhinney, J. A. Walker, all of Toronto; and J. H. Luxton, Waterloo. They represent individual and corporate holders of Etobicoke bonds. Secretary of the committee is A. S. Haydon, of Dominion Securities Corp., Toronto.

ACADIA SUGAR RAISES CAPITAL REDEEM BONDS

Royal Securities Sells $1.5 Millions of 4½% Bonds

From Our Own Correspondent

MONTREAL.—As part of its capital refunding plan, Acadia Sugar Refining Co. has sold $1.5 millions of 4½ per cent first mortgage bonds, through Royal Securities Corp. The offering was made at a price of 99½ and accrued interest.

In the earlier part of the year the company called for redemption $582,433 of the 7 per cent general mortgage bonds.

Last month the bondholders met and approved of the creation of a new first mortgage bond issue of $2.5 millions, of which the current financing forms part.

Call Old Bonds

The proceeds of the 4½ per cent series will be applied toward the retirement of the outstanding balance of $1,732,000 of 6 per cent first mortgage bonds, which are to be called for redemption on Jan. 1, 1936.

Particulars of the issue follow:

$1,500,000
Acadia Sugar Refining Co.
1st Mortgage S.F. Bonds, 4½% Series
Dated October 1, 1935. Due October 1, 1955.

Payable as to principal and interest in Canadian funds only; redeemable on 30 days notice at varying premiums.

Capital:	Authorized	Issued
1st mtg. s.f. bds....	$2,500,000	$1,500,000
6% cumulative preferred stock	1,500,000	1,500,000
Ordinary	1,500,000	1,500,000

Company—Operates a sugar refinery at Dartmouth, N.S.

Purpose of Issue—Proceeds will be used to retire outstanding $1,732,000 of 6 per cent first mortgage bonds.

Security—First mortgage and charge on all properties now or hereafter owned.

Sinking Fund—Sufficient to retire 60 per cent of the issue by maturity.

Earnings—Net earnings after depreciation and income tax and available for bond interest have averaged $359,230 a year for the last five years; $306,695 in 1934. Bond interest requirements $67,500.

Covenant—Company agrees not to pay any dividends which will reduce net working capital below $750,000.

Offer—Sold by Royal Securities Corp. at 99½ and accrued interest.

ROCKWOOL CORP'N SELLS $200,000 NOTES

T. R. Boys & Co. Handles Financing for New Venture

An offering of $95,000 ten-year sinking fund, floating charge, five per cent, convertible notes of Rockwool Corp. (Canada) Ltd., carrying a bonus of 50 shares of preference stock and 50 shares of common stock with each $1,000 note, is being made by T. Ross Boys & Co., Toronto, at par. This is the balance of an issue of $200,000, of which $105,000 has been sold privately.

The company controls the exclusive rights for Canada and the British Empire of the patents and processes of the General Insulating and Manufacturing Co. of Alexandria, Ind. These rights were purchased from McMaster Jacob Engineering Co. of Toronto, which company received 15,000 Rockwool Corp. shares as vendors.

Rockwool Corporation (Canada) Ltd.

Issue—$200,000 of 5 per cent convertible notes, floating charge, due 1945, notes of $100, $500 and $1,000 denomination.

Company—Ont. inc., 1935; head office, Toronto.

Business—Controls a large deposit at St. David's, Ontario, of the type of shale required for manufacture of rock wool. Arrangements have been made to acquire a Brantford plant.

Assets—No balance sheet available.

Purpose of Issue—To pay for installation of machines and to provide working capital.

Capital—Authorized: 50,000 pref. shares, par $10 each, (non-voting); 25,000 common shares, par $1 each. To be outstanding: 20,000 pref shares, including 10,000 shares set aside for 18 months for possible conversion of notes, and 25,000 common shares.

Funded Debt—Authorized and outstanding: $200,000, 10-year sinking fund floating charge 5 per cent convertible notes, dated July 2, 1935, due July 2, 1945.

Callable—After two years at par plus accrued interest.

Conversion—50 per cent of the face value of the notes convertible into preference shares at $10 per share within 18 months after July 2, 1935.

Sinking Fund—12½ per cent of principal outstanding during last eight years of the 10-year term.

Offer—At par by T. Ross Boys & Co., Toronto, with a bonus of 50 shares of preferred stock and 50 shares of common stock with each $1,000 note.

Man. Power Bondholders Adjourn to November 14

A meeting of holders of 5½ per cent first mortgage bonds of Manitoba Power Co. on Oct. 10 has been adjourned to Nov. 14, 1935. The meeting had been called to allow Manitoba Power bondholders to vote upon the scheme of reorganization for Winnipeg Electric Co. and subsidiaries.

Bonds represented in person or by proxy at the Oct. 10 meeting totalled $7,474,300, but $8 millions of bonds must be represented to form a quorum, hence the adjournment of the meeting, which had been expected for a month. All bonds represented were in favor of the scheme of reorganization. The plan cannot be passed, however, without a vote of a quorum of the Manitoba Power bondholders. This means that the whole Winnipeg Electric reorganization plan is held up while a quorum of the Manitoba Power 5½'s is sought.

It is expected that a quorum will eventually be obtained, the number of bonds deposited with representatives of debenture holders having increased materially since the original meeting was held on August 7. Central committee is encouraged by the response at the Oct. 10 meeting. Bondholders are being urged to deposit their securities so that the plan may be adopted.

Crow's Nest Pass Coal Profits Show Increase

Profits of Crow's Nest Pass Coal Co., which operates coal mines in the East Kootenay district of B. C., were higher in the three months ended Sept. 30 than in the previous quarter, being estimated at $46,641, after depreciation and depletion, but before provision for income taxes. This compares with an estimated profit of $38,475 in the second quarter of the year and $54,707 in the three months ended March 31.

Shawinigan Income To Date Up About $500,000 Over '34

From Our Own Correspondent

MONTREAL. — Net income of Shawinigan Water and Power Co., available for depreciation, income tax and dividends on the capital stock, was nearly $200,000 greater in the first nine months of 1935 than was the case in the corresponding period last year.

This improvement in net income reflects the substantial gain recorded by the System to date in the sale of primary and secondary power. Conditions in the territory served have been better than for some time past, with the result that power demand has grown to such proportions sales for 1934 are expected to establish an all-time record.

Up to the end of last September gross revenue totalled over $9.4 millions as against $8.9 millions for the first nine months of 1934. Despite a fairly marked increase in general, operating and maintenance expenses, the surplus before depreciation and income tax was over $2.3 millions, compared with $2.1 millions a year ago.

Particulars of the interim statement on earnings for January-September period in 1935, with comparative figures for 1934, follow:

Income and Expenditure Jan. to Sept.

	1935 $	1934 $
Gross revenue	9,423,406	8,962,677
Expenses:		
General, operat. & maint. exps.	2,004,725	1,744,575
Power purchased ..	1,179,771	1,145,993
Water rentals	292,069	274,480
Taxes & ins.	542,350	491,106
Exchange	....	62,322
Res. for exchange ..	75,000	....
Net operating revenue	5,339,491	5,244,201
Fixed charges	3,020,206	*3,099,402
Surplus before deprec. and income tax	2,319,285	2,144,799

* Published figures for 9 months' period for 1934 included deduction of $150,000 for interest on capital cost of work under construction, which deduction was cancelled as explained in annual report.

CONS. SMELTERS SEEKING CONTROL COAST TERMINALS

May Acquire 55 Per Cent Interest for Outlay of $270,000

Consolidated Mining & Smelting Co. will acquire a 55 per cent interest in the extensive dockage facilities of the Pacific Coast Terminals Ltd., at New Westminster for a cash outlay of $270,000 if a plan submitted to bondholders is approved.

In forwarding the proposal to bondholders, the Montreal Trust Co., trustee, advises that no definite offer has been made by Consolidated Smelters, but that J. J. Warren, president, has stated that if the plan is accepted by bondholders he will recommend it to the board of directors.

The effect of the proposed sale to Consolidated Smelters would be that bondholders would receive for each $1,000 principal amount of bonds held, approximately $80 in cash and 18 shares of common stock in a new company which would own the property without other indebtedness. Under the plan, Consolidated would own 55 per cent of the outstanding stock and the bondholders 45 per cent.

Bondholders in Control

Full title to the Pacific Coast Terminals passed to the bondholders early this year when the property was bid in by the trustee at a public auction held at the order of the British Columbia supreme court following suit by the first mortgage bondholders. Interest payments have been in default since Aug. 1, 1931. Control of the company was previously held by Consolidated Mining & Smelting through ownership of the majority of the common stock.

The letter from the trustee states that it has exhausted every means of disposing of the property other than to Consolidated Smelters. The trustee states that it is impossible for it to continue financing the company's operations, and if the property is not sold to Consolidated Smelters, it has no hope of securing any other purchaser before Dec. 31 and would then be obliged to sell the property by public auction. "In that event," the letter states, "the bondholders could not hope to get as good a deal as the proposed deal with Consolidated."

Treasury Bills Show Stiffening Interest Rates

The recent slump in the bond market is reflected in the cost of borrowing by sale of $20 millions in 3-month treasury bills sold last week.

The cost to the Dominion of this issue is higher than that of the bills which fell due on Oct. 15 and which were retired by the proceeds of the new issue. Average discount price obtained last week was 99.64565, which gives an average yield of 1.411 per cent. The average discount price of the redeemed issue was 99.65211 and the yield 1.385 per cent.

The yield on the current issue is the highest paid on treasury bills since July 1 when an issue of $15 millions was sold at an average of 99.60 to yield 1.55586 per cent.

In August further treasury notes were sold at even lower rates of interest, $30 millions being sold on August 1 at 1.2337 per cent and $20 millions on August 15 at 1.2223 per cent. In September rates were 1.287 per cent and 1.363 per cent for issues of $20 millions and $15 millions respectively.

Anglo-Canadian Tel. Pays Pref. Dividend

Anglo-Canadian Telephone Co., a holding company formed in December last to acquire the assets of National Telephone & Telegraph Co., has declared its second quarterly dividend of 1¾ per cent, or 87½ cents a share, on its seven per cent cumulative preferred stock. The disbursement is payable Nov. 1 to shareholders of record, Oct. 15, 1935. The initial payment of 1¾ per cent was paid August 1 of this year to shareholders of record July 15.

Vancouver Bonds Re-listed On London Stock 'Change

City of Vancouver bonds have been restored to trading on the London Stock Exchange, according to advice from the city's fiscal agents in England.

Trading in Vancouver bonds on the London Exchange was halted early this year when Mayor G. G. McGeer proposed arbitrary refunding of the city's debt at lower interest rates. A proposal along these lines was turned down by bondholders.

LOWER RATES LIMIT INCOME QUEBEC POWER

Drop in Gross Revenue is Carried Through to Net Income

From Our Own Correspondent

MONTREAL. — Quebec Power Co.'s financial statement for the nine months ended Sept. 30, 1935, reflects the lower rate schedule put in force by the company at the beginning of the year. Gross revenues for the period were off about $122,000 compared with returns for the corresponding months in 1934.

Operations, expenses, taxes, fixed charges are running at about the same level this year, so that the net amount available for depreciation, income tax and dividends shows a drop in line with the reduction in gross revenue. In recent weeks there has been an improvement in earnings; but the gain is not expected to offset the loss already recorded.

There is no intimation of any change in the dividend policy, directors having declared the regular dividend for the current period.

Revenue and Expenditure for Nine Months

	To Sept. 30 1935 $	To Sept. 30 1934 $
Gross revenue	2,722,219	2,848,577
Operation, taxes and other expenses	1,621,095	1,630,794
Exchange	3,864	863
Fixed charges	456,398	456,399
Surplus before deprec. and income tax	640,862	760,521

Lower St. Lawrence Power Bond Plan is Approved

From Our Own Correspondent

MONTREAL.—Bondholders of the Lower St. Lawrence Power Co. have approved the resolution calling for the exchange of the presently outstanding seven per cent bonds for a new issue carrying a coupon rate of five per cent. Approximately 90 per cent of the bonds represented at the meeting voted in favor of the change.

Nearly $633,000 of the present bonds are involved in the proposed exchange, which will likely be effected at an early date. In this connection it is understood that the new issue will aggregate about $1.4 millions, the difference between that amount and the old bond issue representing new capital which will be raised through a public offering.

Inter-City Baking Co. Maintains Position

The Inter-City Baking Co., in which Lake of the Woods Milling Co. has a large interest, has maintained its position in the face of very keen competition, states Brig.-Gen. F. S. Meighen, president Lake of the Woods Milling Co.

The milling company has no longer any responsibility for The Inter-City Western Bakeries, which is being operated by bondholders.

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Newfoundland's Optimism Dulled by Recent Even

Lower Prices for Salt Cod, Together With Int national Situation and Exchange Difficulties, Cloud Outlook

Although the Newfoundland business year opened on an optimistic note, early fishing reports and the recent events in Europe, more especially the Italian foreign exchange quandary have rather dulled its cheerful confidence. Fall business has slowed up perceptibly.

The prevailing price of salt cod is ever Newfoundland's national barometer and current quotations for the various cures are from one to two dollars lower than October 1934 prices. In some sections of the island the codfishery has been very disappointing But on the north east coast the catch amounts to the best in many years. Unfortunately, the cure in this area is predominantly for the Italian trade.

The Newfoundland Salt Codfish Association, re-established two months ago under the new salt-codfish act, has been working on a shipping organization programme which will have the full support of all exporters and the trade.

Prospects in Portugal

Last year shipments to Portugal were down from a 600,000 quintal high in 1920, to a scant 200,000 quintals. With Portugal now a corporate state, fish buying is in the hands of the Oremio, a semi-official organization which has imposed restrictions that have favored national caught fish, or the fish of countries which buy large quantities of Portugese goods. At present, however, there are fewer restrictions to contend with in Portugal than are experienced in other European markets, and there is the possibility that more fish will be sent to Oporto this year than for several years back. Newfoundland exporters have been worrying about falling prices and for this reason, among others, the codfish control board has made elaborate plans to prevent price-cutting to control shipments and to ensure prime quality produce.

The Board's plans for new Op shipments are briefly: Establishm of an association of shippers Portugal which will consider a ments and conditions of sale make recommendations to the Codfish Control Board for effec action to maintain a healthy active market; the sanction of Board to be required on all s ments to Portugal; all sales to Oremio to be made through off brokers nominated by the Asso tion; and the appointment of European trade agent with h quarters in Oporto.

It is expected that the Boa plan will be accepted by the tr

Recent sales to Oporto have b made at 26 shillings for large medium and 21 shillings for sm with 80 per cent advance of p chase price and 20 per cent b back against claims. This ma opened in May at 32 shillings an shillings. Last year prices for grades averaged 30 shill throughout the season.

No new Spanish fish has yet b shipped this year. It is expe that the catch of Spanish cure not be in excess of the exis quota imposed by Spain on N foundland imports.

Brazilian Credits

In Brazil there is still a good of frozen credits left over from season's business. But as the pre tendency on the part of Brazi importers is to pay up current c mittments on new fish bought, l exporters are filling orders with hope that their frozen credits eventually be made good. It is derstood that negotiations are proceeding between Great Bri and Brazil having reference frozen credits, and that the N foundland figures bearing th upon have been furnished for c sideration and inclusion in arrangement arrived at.

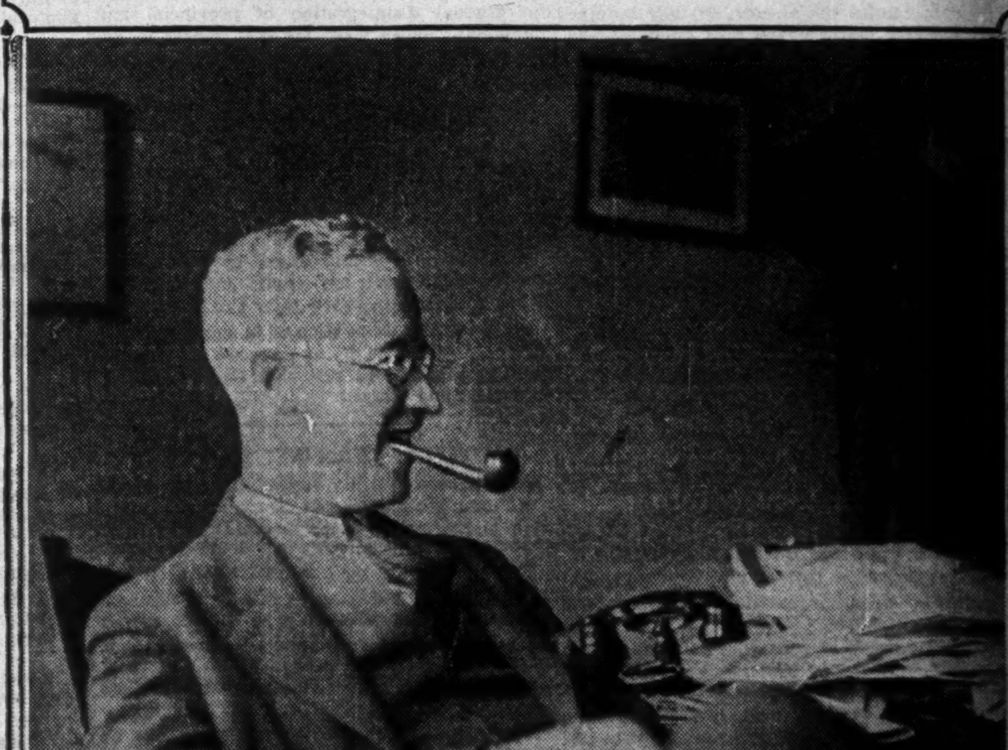
New Books

FINANCIAL STATISTICS OF PROVINCIAL GOVERNMENTS IN CANADA, 1932 and 1933, Dominion Bureau of Statistics, Ottawa. Published by the King's Printer. Price 25 cents.

Financial statistics of all nine provincial governments of Canada for 1932 and 1933 are arranged in comparative form published in this book for the first time. The book is the result of arrangements for uniform provincial financial statistics made by the Dominion-provincial conference in September, 1933. It still shows the difficulties encountered in getting uniform figures. In the ta lations, it is apparent that for of better authority, provincial pu accounts, with their divergent counting procedure, have had to followed.

Col. J. R. Munro, chief of finance statistics branch of Bureau supervised preparation of report and deserves credit for eff to bring provincial accounts t uniform basis. Unfortunately, value of the book is diminished tardy publication of provincial counts, and by the fact that figures for 1933-34 fiscal years, not included, although provin accounts for that year have b issued.

EDITOR-ENGINEER GIVES CLUE TO 1936 CAR STYLES



WARREN B. HASTINGS, ***an official of the Society of Automotive Engineers and Editor of Canadian Motorist, is on the "inside" of auto mobile developments.*** "This is the open season for automobile previews. Those attende appear to indicate that in the automotive year of 1936, now at hand, car style, safety, comfor and economy will be emphasized," he says. "Stamina, dependability and longevity loom larg in the Dodge tradition, the foundations of which were well and truly laid more than a fifth of century ago. Style, beauty and comfort have found increasing expression in Dodge cars o relatively recent vintages. The 1936 Dodge eclipses it precursors in these and other features.

And thus many other authorities speak of the new 1936 Dodge soon to be announced. Its style and beauty with its many other features, will make it a leader in 1936. Watch for the new 1936 Dodge.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
St. Rose, Que.	Sept.	Banque Canadienne Nationale	4%	20-ser.	$25,000	96	.....
St. Augustin de Demaure, Parish of	Oct.	J. E. Laflamme, Ltd.	4%	20-ser.	28,400	98.06	4.23%
Grand'Mère, Que.	Oct.	Dominion Securities Corp.	4½%	1936-65	39,500	98.28	4.66%
Dominion—							
Canada (Treasury Bills)	Oct.	....	....	Jan. 15 1936	20,000,000	99.64	1.411%

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Canada, United States, Mexico, British Empire, $5 per ear, all other countries, $6.

Published by

HE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2.

hairman of the Board—John Bayne Maclean
President—Horace T. Hunter
Vice-President and General Manager—
H. Victor Tyrrell

MONTREAL—Dominion Square Bldg., Murray R. Chipan, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London, Resident representative: K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockur St., London, S.W.1. Telegraphic Address, Atabek, square, London.

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TORONTO, OCTOBER 19, 1935

GREAT HUMAN STORY THAT REMAINS UNTOLD

HERE is need for Canadian banks to become more articulate; to present to the public the mple and interesting facts about banking in anada and how it is carried on.

The banks have nothing to hide; they have, as matter of fact, a very splendid story to tell. ut the heart of their problem lies in that phrase imple and interesting." The banks cannot mpete against their critics and against the emagogic reformers without talking the language of the people. They must tell their story headline English and tell it so that it will be ad in the homes of every-day men and women.

There is not much literary magic, not much peal to the emotions, in a description of Cana- an banking along lines such as these:

The Banks of Canada

Capital	$145,500,000
Reserves	132,750,000

2% paid on deposits.

Money to loan. See nearest branch.

Yet there are routine things about Canadian nking that have great human interest and te a high news value.

There is the fact that for every family in Can- a there are an average of two savings accounts.

There is the fact that during these depression ars not a single person has lost a dollar of his vings in any Canadian bank.

There is the fact that more women than men vn stock in Canadian banks.

There is the fact that, almost without excep- on, the high executives of Canadian banks have orked their way upwards from junior jobs at 5 to $45 a month.

There is the fact that Canadian banks are ngry for chances to loan the money entrusted their care.

There is the fact that they would rather have nother hundred thousand small loans than an- her large block of government bonds.

There is human interest in banking. There is ews value in it. Canadian banks could set the hole country talking about them, talking about em favorably. They could make people feel at they are partners, with all other elements the community, in the daily life of Canada.

Just now they seem to be content to let their itics and the monetary utopians have the floor.

What Mr. Woodsworth thinks of the Canadian nks is not half as important as the sense of curity every depositor feels when he puts a llar in his account. Yet the first is publicized d the second is not.

Mr. Aberhart's mystical promises have not a nth the significance of the hundreds of mil- ons of dollars the banks have already loaned r genuinely social purposes. But which gets e headlines?

The banks know the answer. If they indulge a little self analysis they will know who is iefly to blame.

WHY MONEY LEAVES CANADA

A LITTLE over a year ago, an American author sent $1,000 to a friend in Canada asking him open an account in a Canadian bank for him. e was disturbed about the political develop- ents in the United States and felt that his oney would be safer in Canada.

The other day he withdrew it and in doing so wrote to his Canadian friend:

"Well, my little adventure into Canadian anking security is wound up. I see that your eople are going as completely loco on false conomic scents as ours, only there are glim- ners of indications that we are about ready o wake up."

A year ago or so the feeling was general that anada was a much safer country in which to vest than the United States. We were seeing e depression through with sanity and common nse. Then came the Bennett New Deal, the cGeer repudiation threat, the Hepburn-Roe- ck power bond confiscation, the Aberhart ctory in Alberta.

Just as the curve of American political sanity as taking a slight turn upwards, ours dipped to e lowest points of the period of depression.

And so money leaves Canada and new money ll not come in. The new government, with its werful majority, has an unprecedented oppor- nity for restoring confidence in Canada.

DECENCY IN ELECTIONEERING

R. KING has promised that he will see to it that in no future election is slander and ification of public men permitted over the vernment-owned radio.

He might go a step further and insist that nder and vilification be entirely banned in radio speeches, whether the targets are public n in the political sense or public men in any ner sense.

Venomous and fantastic statements were made out certain Canadian political leaders by some the candidates in their radio addresses. Mr. vens, repeating statements about Sir Joseph avelle and other Canadian business men, state- nts that had previously been shown to be thout a shred of truth in them, conducted a major campaign that was founded on slander and false accusations.

That the decent Canadian public resented his campaign is shown by the results. The public did not choose to support the wholesale denunciation of public-spirited citizens by a man whose own record in business was most unsatisfactory.

Business men as well as politicians are answerable to the public for their every action. Fair comment on their policies and practices is always proper.

But there is a vast difference between fair comment and falsehood.

The practical problem of censoring the radio addresses of political leaders may be greater than Mr. King expects. It would be far better if the common decency of the political chiefs could be relied upon. The public is entitled to expect that much at least from a man who desires to be a leader of the people. The fate of the Stevens party may be a warning more potent than Mr. King's projected censorship.

YOUTH VOTES

JUST before the real voting took place there was a smaller plebiscite in the city of Toronto that was not without a good deal of significance.

"Varsity," the undergraduate newspaper of the University of Toronto, asked about 4,000 of the students to indicate their political preferences. They were not influenced by personal friendships for candidates and such factors because no candidates were mentioned. The result of the vote was as follows:

Conservative	1,416
Liberal	1,194
C. C. F.	518
Reconstruction	392
Communist	128
Social Credit	62

The exact order in which the different parties ranked is not of great significance. But what is important is the very clear demonstration that was given that the older parties still do hold the interest and attention of the majority of young men and women.

There were some supporters for Mr. Stevens, there were some for the Socialist C.C.F., some for Social Credit and not a few students displayed Communist leanings. But no one of these militant minority groups obtained more than 14 per cent of the total vote. Liberals and Conservatives together polled 70 per cent of all the votes.

The older parties should value and cling to this hold they still have on the younger elements in the population. It would be destructive of the finer elements in Canadian political life if our parties were to break up into numerous ill-assorted groups. Group government ultimately leads to poor government or to dictatorship. A strong two-party system is our best safeguard against the loss of our liberties. The almost complete obliteration of the Reconstruction and C.C.F. parties in this week's election will help to restore the two-party system. The return of so many Social Credit members may be safely regarded as a manifestation of a passing lunacy. These Social Credit members may be among the most useful members of Parliament, but not because of their monetary views.

With all their weaknesses the Liberals and the Conservatives are the best bets for Canada. All that is needed for them to hold the goodwill, affection and confidence of Canadian youth is to keep in step with the times, while not getting off the main highway.

CANADA'S CREDIT

IN HIS last speech of the campaign Mr. Bennett made one statement which was quite untrue and another statement that was quite correct although incomplete.

He said that the credit of Canada stands higher than it ever did before. This statement is quite the opposite of the fact. The truth of the matter is that Canada would have difficulty today in borrowing a dollar in the British money market. Canada's credit seldom stood as low in London as it does right now.

Mr. Bennett said later in his address that the repudiation policies of certain Liberal politicians had closed the London money market to Canada. How he could square that statement with the one previously quoted is a problem in political dexterity which The Financial Post does not profess to be able to solve.

Nevertheless the statement was at least partially true.

The London market is closed to Canada. Mr. McGeer's talk of debt repudiation, Mr. Hepburn's and Mr. Roebuck's dishonorable power contract cancellation legislation, Mr. Aberhart's victory in Alberta and Mr. Bennett's objectionable method of presenting his debt conversion plan have all been of great significance in the minds of British investors.

But of greater importance has been Canada's inability to put its national financial structure in order. Our dawdling with unbalanced budgets, our timidity in dealing with railway wastes, the gradual disintegration of provincial and municipal finance were the real factors in destroying our credit in London. The other episodes merely put nails in the coffin.

The King government will ignore these issues at its peril. We either balance our budget and adopt a policy of sound finance or we will face a crisis of great magnitude. It would probably be accompanied by a political upset of major proportions. This might lead to another election fought out under new leaders.

It would be a straight fight between Sound Finance to protect our credit and Socialism, which is little concerned with Credit.

But with his strong support in the House, Mr. King can afford to be courageous in handling the key problem of restoring Canada's credit through sound finance.

RECOVERY; THE FIRST OBJECTIVE

ALBERTA'S weirdly shaped plan for Social Credit is nothing more than a remote promise of ending poverty—too remote to be taken as a useful economic effort.

There is more to the attainment of social justice than the hurried passing of laws. Before we can have social justice we must deserve it, and that means raising our standards of citizenship, of politics, of education, of business.

Moral indignation, so blatantly expressed on every public platform today, is not enough. Our advance to the better, richer, fairer life must be an advance along the highways of public education, of sound finance, encouragement of initiative. Of these, sound finance at the moment is most important and the most neglected. There must be confidence among enterprisers to encourage the fullest and most rapid production of new wealth to pay the cost of social justice. Reformers neglect this simple fact at their peril.

Some of our re-actionaries forget the need for more even distribution of purchasing power in their zeal to protect their share. On the other hand, the theoreticians of reform forget the need for increasing wealth in their haste to divide up present wealth which can do no more than represent the dividing up of property.

When the productive machine has slowed down to such a slow pace the first step is to speed it up. As the authors of "The Next Five Years," a recent British study, have put it, the two aims of increased productivity and of equity in our economic system must march together. Right now an increase in productivity, in efficiency and in wealth would do more for the cause of social justice than all the laws that could be passed in a month of legislative Sundays. The present emphasis upon reform, to the extent that it overlooks the need for recovery, is most damaging to the cause of equity and justice to our social system.

Let us not forget reform but let's get on with recovery so that reform will be possible.

ZERO FOR THE TAXPAYERS

FROM 9 to 12 o'clock E.S.T. last Saturday night radios boomed forth the speeches of three political leaders, Bennett, King and Stevens. It was the zero hour.

So far as the taxpayer was concerned, the consideration that was given to him was, in each of the three speeches, exactly zero.

Mr. Bennett made no reference to the No. 1 Canadian issue, that of balancing the budget.

Mr. King used the phrase "budget balancing" in the incidental reference to some other matter but he made no promise to cut governmental expenses, balance the budget or put Canada's finances in sound shape.

No one was disappointed when Mr. Stevens failed to mention the subject because no one expected he would.

Mr. Woodsworth was on no national hook-up, probably having difficulty in balancing his own C. C. F. budget.

But when Mr. King spoke Saturday night he thought he was still in the midst of a very close fight. Now that he need no longer hedge on his promises, he should put budget balancing first on his list of jobs to be done.

Post-Scripts

COLLEGE days are here again. One professor attached to a large eastern university is a very sociable fellow. A few days ago he telephoned his wife.

"My dear," he said, "I am giving a cocktail party this afternoon for some of the new students so that they can become better acquainted. Will you hustle out and get some food for them?"

"How many are coming?" he was asked.

"I can count on 20, but there may be as many as 50."

It was nearly noon. The professor's wife hurriedly went down town to interview the "family grocer"—one of those firms which carry a vast supply of luxury goods and charge accordingly. The grocer picked out a supply of canned delicacies which he thought would be sufficient to take care of the expected maximum number of guests.

The professor's wife gave a startled gulp when she saw the bill was for $25, but being of a canny nature, she said:

"But what if we don't need all these supplies?"

"Oh, that's all right, Mrs. Blank," said the grocer, "we will credit you for anything that is brought back unopened."

Back to the house where preparations were made for the party. Her final instruction to the maid was to be careful and not open too many cans.

The party had been in progress a short time when the professor began to fume and fret. Finally he got his wife off in a quiet corner and said: "Where is the food? There is one olive in each corner of the room. Didn't you get anything for the boys to eat?" His wife explained that there was plenty to eat and sent out instructions to the maid to serve more food.

Finally the party came to an end and an enquiry was instituted to find out why the commissary department had fallen down. The answer was not long in coming. The maid had faithfully followed her mistress's instructions not to open too many cans.

The next day the grocer credited Mrs. Blank's account with $24.50.

Sayings of the Week

"Man has never found it easy to understand woman."—*Beni Prasad.*

• • •

"What we want is a non-alcoholic drink with a kick in it."—*Sir Henry Coward.*

• • •

"Epitaph for the average man: Dead at 30; buried at 60!"—*Nicholas Murray Butler.*

• • •

"Democratic government will never be safe so long as militarism endures."—*Beni Prasad.*

• • •

"No dictatorship can afford to put its ultimate principles to the test of analysis."—*Harold J. Laski.*

• • •

"The difference between Communism and Fascism is a difference in stench." — *Benjamin DeCasseres.*

• • •

"I know how to fight Italians. I knew them in Harlem." — *Colonel Herbert Julian, "Black Eagle of Harlem."*

• • •

"I want to be able to do what I want, when I want to do it. Then I'll consider myself a success."—*Bing Crosby.*

• • •

"The art of high government consists in bringing knowledge and power into a working partnership."—*Glenn Frank.*

• • •

"Resources already available render it possible for the first time in history for all men to live in comfort."—*Beni Prasad.*

• • •

"Churches don't give half enough time to youth. They are run for the middle-aged and the old."—*Burris A. Jenkins.*

• • •

"The functions of Government must be readjusted from time to time to restrain the strong and protect the weak."—*Herbert Hoover.*

• • •

"If you set a modern white-collar man and his family down on a rich virgin prairie with a team and tools, they would starve to death."—*Hugh S. Johnson.*

• • •

"Happiness can come from only one thing, peace of mind. And that comes from an equal opportunity to serve, to learn and to acquire property."—*Alfred E. Smith.*

• • •

"If you were to make a search of the territory lying between Westminster Abbey and Temple Bar you might possibly discover quite a number of half-hearted Hitlers and miniature Mussolinis."—*Lord Hewart.*

• • •

"American women are becoming better cooks. But the way our men eat! Just to watch a business man at a lunch counter wolf a ham sandwich breaks the heart."—*George Rector, famous restauranteur, delivers a judgment.*

• • •

"There appears to be no poverty in London. Everyone is well-dressed, especially the ladies. Where and how do they all live and get food since they grow no crops?"—*Ndaniso Kumalo, giant Matabele warrior now in London.*

• • •

"Had I not had much experience in public affairs, I would hesitate to come before the Canadian people now and tell them what I think should be done. But I have been for fifteen years the leader of my party, and for nine years was Prime Minister. As a young man I was in the Cabinet of Sir Wilfrid Laurier, and learned much from the older men who were my colleagues."—*W. L. Mackenzie King.*

The World at Large

Plans Upset

Mussolini's Outbreak Necessitates New European Alignments

By JOHN A. STEVENSON

Events have been moving swiftly in the Italo-Ethiopian imbroglio.

In Africa there has taken place a clash of arms which has had the immediate effect of producing a first-class European crisis. The Italians, without any formal declaration of war have invaded Ethiopia. After registering some successes against the ill-armed Ethiopian troops Mussolini's forces have captured some important towns and a considerable stretch of territory.

League Steps in

Meanwhile at Geneva the League of Nations under the resolute leadership of Britain with France giving effective, if reluctant, support, has set itself to demonstrate that it can still be an effective force for the preservation of international law. It has committed itself to the application of economic and financial sanctions against Italy.

The vote in favor of such a drastic move was even more solid than had been hoped. Apart from some absentees like Germany who is still nominally a member of the League, the only nations with representatives present at Geneva who withheld their endorsation were Austria, Hungary and Albania. Three near neighbors of Italy who are obviously afraid of Mussolini's wrath.

It fell to the lot of our own Howard Ferguson, as head of the Canadian delegation, to sponsor the initial practical step for checkmating of Italy's ambitions. He proposed a resolution which lifted the embargo upon the export of arms to Ethiopia. After it had been adopted by the sanctions committee appointed by the Assembly of the League it was followed up by another resolution which pledged the governments adhering to the League of Nations to prohibit the exportation, re-exportation and transit destined for Italy and its possessions of an enumerated list of arms, munitions and implements of war. A subcommittee was also set to work to devise ways and means for putting financial pressure upon Italy. It has now recommended that the formal resolution for a financial boycott of Italy should forbid the following:

Financial Sanctions

1. The opening of credits to Italy in any foreign country.
2. The authorization of any public issue by Italy in foreign countries.
3. The authorization of a public issue by an individual or legal entity national of Italy or of either acting as an intermediary of any one of the League states.
4. The opening of bank credits in favor of Italy in any League country.
5. The opening of bank credits without any commercial character in favor of any individual or legal entity national or of either of them acting as Italy's intermediary in any one of the League states.
6. The opening of credits similar to those referred to in paragraph 5 but having the appearance of a commercial credit.
7. The opening of normal commercial credits.

The exact application of the interdiction has not yet been worked out but the report stated that this prohibition would tend to bring about an almost complete stoppage of trade between Italy and the countries enforcing it. Its operation for a whole year would cost Britain about nine million pounds worth of export trade and Canada about $3.5 millions.

The decision has apparently been arrived at not to try and close the Suez Canal at present against Italian ships but this measure can be kept in reserve as a last resort. Britain has assembled in the Mediterranean a fleet of immense power, sufficient to cope with the Italian navy even without the guaranteed naval assistance of France.

Link With British Electors

Apparently both the government and people of Italy never believed that the League would dare to impose sanctions against them. Foreign correspondents now in Italy report that when the news came public opinion was completely stunned and a mood of general depression and anxiety developed.

Mussolini continues to make bellicose speeches and declare that any attempt at a blockade of Italy will mean war. Italian papers contend that the League is now hopelessly under British domination and furthermore that it is so tied up to British politics that it is sensitive to the influence of the approaching general election in which the Baldwin government desires to pose as the champion of the collective system. But it is noted significantly that although Baron Aloisi and the rest of the Italian delegation have left Geneva spokesmen of the Italian government assert that Italy will remain in the League of Nations, unless the application of military sanctions drives her out.

Which Way Germany?

The Italians are obviously counting upon securing from countries like Germany which have not adhered to the League's decision, all the munitions and materials needed. There is some suspicion that Germany is playing a double game. While Berlin has been giving assurances to Britain that she is quite sympathetic to the action of the League groups of her industrialists have been planning to profit by the arms embargo on other nations. United States, on the other hand has shown a cordial spirit of co-operation and has forbidden exports of munitions.

The Italian forces are expected to resume their advance in the near future but French and British military experts express surprise at the comparatively slow progress made. They now think that the Italian general staff is beginning to realize the difficulties confronting it.

One lucky break came to the Italians through the desertion to them of Ras Haile Selassie Gugsa, the governor of an Ethiopian province. Italy may follow the example of Japan and set up a puppet state in at least part of Ethiopia under this deserter and thereafter deny that she plans to conquer Ethiopia.

The whole European situation has been radically altered by this new war. Before it both Britain and France could count with reasonable certainty upon Italian friendship. It is now plain, however, that nothing but the disappearance of Mussolini and his Fascist régime will permit a restoration of this feeling, which has permitted Britain to keep an inferior fleet in the Mediterranean. Now armaments in the Mediterranean will have to be strengthened to ensure Empire communications with Australia, Asia and India.

As Others See Us

Stocks Show Gains
Hamilton Spectator

The Financial Post this week has an article from its Montreal correspondent showing the gains made by common stocks since the dark days of 1931-32, when they reached their depression low. Recovery has not been equal. In one case an advance of only one point is recorded, and in another the gain is no less than 165 points. The table accompanying the article should be studied by our fast-diminishing pessimists.

The average price of stocks today is more than twice what it was in 1931-32. If an investor had put money in all these common stocks when they were at the bottom, he would have doubled his capital today.

Inexperienced Legislators
Lethbridge Herald

The Financial Post features a dispatch announcing the composition of the new Alberta Government with the declaration that its members have had no experience in parliament. That's perfectly true, but it is nothing new for Alberta. When the United Farmers came into control of affairs in 1921, except for George Hoadley, who had been sitting as a Conservative from 1909 to 1921 and then associated himself with the new movement, every member of the legislature elected in their support was a novice in politics. Despite George Hoadley's experience the farmers did not agree to him as leader, but went outside of the elected members and chose an inexperienced U.F.A. leader, Herbert Greenfield as Premier. Then they brought in as Attorney-General, a young lawyer from Calgary, John E. Brownlee, also entirely inexperienced. So there is practically no difference between the Government that took direction of Alberta's affairs in 1921 and that which assumed control this month. Fortunately there are a few experienced legislators representing the other parties; they should be able to act as guides to the untrained and inexperienced, at least they can point out the dangers and mistakes and if not heeded put themselves in a position to say afterward "we told you so."

The Major Issue
Kingston Whig-Standard

While the politicans concern themselves with all sorts of other issues, the major national issue before Canada today, asserts The Financial Post, is the problem of sound finance. With that assertion, we believe, most thoughtful citizens will agree. It is with a good deal of sadness they observe that no attention proportionate to its importance is being given to this problem.

This is, indeed, a strange state of affairs, for no one question except relief has so constantly occupied the public attention since 1930 as the burden of taxation. People everywhere have cried out against their load of taxes, viewed with alarm every sign or threat of increase in the burden. And taxation, of course, is tied up closely with sound finance. Its trend is determined directly, or indirectly, by budget surpluses or deficits, the lowering or increase of public debt. The amount of attention given to the problem of sound finance in the current campaign contrasts strangely with the attention given in the Ontario election of last year to the cost of government, the excess of expenditures over revenue and the mounting provincial debt.

Since the war there has been a vast growth in governmental debt in Canada. The greatest increases have occurred in the cases of municipal and provincial governments but the debt of the Dominion government has also risen heavily.

These figures stand alone as testimony to the urgent need of policies that will put an end to the mounting load of debt. We cannot continue to add year by year to that debt without serious injury to our credit, without eventual disaster.

Other People's Views

What McFarland Said
Winnipeg Free Press

Mr. McFarland's statement at Moose Jaw on February 15 last should be again published. This was the statement:

"From whatever angle you approach the question of exports our carryover will be well under 100 millions on August 1 next, which contrasts with the whispering campaign going around recently to the effect that Canada's foolish policy will leave us with a carryover of 200 millions . . . With a prospective carryover down to 80 million bushels, etc."

The statement will bear repetition and re-examination. There has never been an explanation by the maker of this confident declaration of the reasons for its failure.

Stop Me If You've Heard This One

A stranger was dining in Aberdeen. When the meal was over he handed the waiter a penny tip.

The waiter looked at the coin in his hand. "Do ye ken, mister," he said, "that the champion miser in Aberdeen gives me tuppence?"

The stranger held out his hand smilingly. "Here," he said, "shake hands with the new champion."

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Week in Business

Five-Year Stocktaking for Business Farmers' Buying Power at New Peak

Ottawa will not be alone in its stocktaking this week.

Every grower of foodstuffs; every maker of butter, jams, cheese or other agricultural product; every worker, employer and shareholder in "protected" or export industries is taking stock also. In short, nearly everyone is appraising the business significance of a new Liberal government.

Most important immediate effect to business will be an assurance of stability once the course of the new administration becomes known. This assurance would come through the substantial majority afforded the Liberal party, and through realization of the hope of less rapid ups and downs of policy and legislative action than have been experienced during the last nine months. Whether or not this hope is realized is another problem which may easily be determined by forces within the Liberal party or without — such as, for example, a sudden financial crisis in this country.

* * * *

Apart from these long-term considerations, the immediate problem to which most Canadians will want an answer is the "time" element in the Liberal programme. An attempt to answer this vital question is made in a special article from our Ottawa correspondent on Page 1 of this issue.

* * * *

One business factor which should aid the Liberals in their administration is the trend in commodity prices in recent weeks. For example, the vital relationship between prices farmers receive for their goods and prices they must pay for the things they buy. Comparison of September figures made available this week shows the "spread" between these two sets of prices to be the smallest in five years, the cost of manufactured goods at wholesale, according to the official Bureau of Statistics index, being now only 12 per cent higher than the price of Canadian farm products. At the low point of the depression (the spring of 1933) the spread was as much as 60 per cent.

Commodity prices to consumers are rising slightly but apparently not as rapidly in Canada as in some other countries. This increase in the course of a year or so may offset in some measure any reductions made to consumers in Canada by way of lower tariffs.

Business Indicators

Changes of the Week

(Compared with the same period last year)

Favorable:

Car loadings.
Railway earnings.
Bond sales.

Unfavorable:

Dominion government weekly business index.

Car Loadings—Increases in both eastern and western traffic in the week ended October 5 brought the total to the highest point this year. Continued heavy loadings of grain is the main factor in this year's better showing, with the week showing a gain of over 5,000 cars over the same period last year. Other factors contributing to the rise were livestock, coke and pulp and paper. On the other hand, western coal shipments and pulpwood were substantially lower.

Leading Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest—		—Cumulative Total— Jan. 1 to date	
	1935	1934	1935	1934
Transportation—				
Car loadings (Oct. 5)	▲58,364	53,050	1,775,112	1,752,260
C.P.R. gross earn. (Oct. 7)	$ ▲3,316,000	$ 2,605,000	$ 95,351,000	$ 93,503,000
C.N.R. gross earn. (Oct. 7)	$ ▲3,942,766	$ 3,326,046	$ 129,072,935	$ 125,288,815
Business Conditions—				
Weekly index D.B.S. (Oct. 5)	▲92.1	93.3	......	......
MONTHLY DATA				
	1935	1934	1935	1934
Business Conditions—				
Financial Post index (Aug.)	104.2	98.3	......	......
Transportation—				
C.P.R. net earnings (Aug.)	$ 508,339	$ 1,070,633	$ 8,096,540	$ 10,636,527
C.N.R. net revenue (Aug.)	$ 572,547	$ 65,276	$ 3,872,993	$ 5,132,262
Iron and Steel (Aug.)—				
Pig iron production (tons)	54,414	41,485	364,704	236,071
Steel ingots and castings prod. (tons)	82,488	63,504	556,752	527,673
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Aug.)	3,941	4,042	66,923	53,648
Factory output (Aug.)	5,524	7,325	105,322	82,816
Trucks and Buses:				
Domestic sales* (Aug.)	1,412	1,220	13,525	9,105
Factory output (Aug.)	2,168	2,579	26,705	20,286
Exports (Aug.)	6,009	3,567	44,692	34,076
Construction—				
Building permits (Aug.)	$ 4,293,058	$ 3,764,425	$ 33,188,353	$ 17,433,272
Contracts awarded (Sept.)	$ 14,743,100	$ 12,494,000	$ 132,724,200	$ 98,145,100
Newsprint (tons)—				
Production (Aug.)	235,573	216,164	1,754,742	1,686,055
Exports (Aug.)	220,866	183,922	1,603,875	1,537,220
Sugar (lb.)—				
Melting & shipments§	74,223,266	91,063,904	556,294,119	513,191,653
Manufactured§	71,183,208	88,679,472	550,624,612	500,128,185
Flour (bbls.)—				
Production (Aug.)	1,161,389	1,282,214	8,287,837	8,960,632
Wheat flour exports (Aug.)	376,562	412,089	3,014,779	3,353,728
Trade (August)—				
Imports	$ 49,560,063	$ 43,507,331	$ 358,346,853	$ 335,041,690
Exports	$ 70,737,836	$ 55,249,375	$ 427,242,172	$ 401,029,549
Wheat exports (bush.) (Aug.)	21,698,284	14,709,675	75,361,840	92,410,250
Employment, D.B.S. Index—				
All industries (Sept. 1)	102.7	98.8	......	......
Manufacturing	100.8	94.3	......	......
Electric Power Output (Aug.)—				
Total monthly (000's omitted)	1,851,130	1,676,866	15,022,764	13,672,563
Aver. daily	59,714,000	54,092,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports, mill (Aug.)	164,452	135,135	853,543	902,794
Boot & shoe prod., pr. (Aug.)	2,153,955	1,877,661	14,546,367	12,518,840
Crude petrol., imp. gal. (Aug.)	126,729,590	129,613,183	703,004,923	674,651,501
Cotton imports, lb. (July)	9,912,771	8,280,941	60,964,630	80,905,086
Raw rubber imp., lb. (Aug.)	6,303,645	4,363,165	39,198,212	40,786,032
Coal imports, tons (Aug.)	1,528,319	1,462,469	8,107,054	8,209,179
Finance—				
Bank debits (Aug.)†	$ 2,497,602	$ 2,533,455	$ 20,258,840	$ 20,743,567
Bond sales (Sept.)	$ ▲193,497,802	$ 17,186,817	$ 657,905,029	$ 328,909,276
Life insurance sales (Aug.)	$ 26,854,000	$ 26,659,000	$ 240,566,000	$ 248,695,000
Automobile Financing—				
Used cars (Aug.)	$ 1,703,780	$ 1,385,022	$ 15,235,865	$ 10,110,413
New cars (Aug.)	$ 1,689,393	$ 1,480,983	$ 18,353,922	$ 13,031,334

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000s omitted. §For 4 weeks to Sept. 7.

New Industries and Plant Extensions

Compiled Weekly By The Financial Post

Alloys Castings Ltd., is establishing a new plant in Orillia, Ont., to start operation almost immediately. (Orillia News-Letter)

Rockwool Corp. (Canada) Ltd. has purchased plant and premises in Brantford, Ont., formerly occupied by Buck Stove Works. Repairs and additions will cost about $50,000. This company manufactures an insulation and sound proofing substance from rock. (Brantford Expositor)

Sampsel Mastoker Co. of Can., Ltd., has established a showroom, where assembling will take place, and head office at 525 Ouellette Ave., Windsor, Ont. Manufacturing of the automatic thermostatically controlled coal burning machines, is being done by the Chatham Malleable and Steel Co. (Windsor Daily Star)

Deseronto Refineries, Ltd., Deseronto, Ont., will erect an oil refinery this fall. (Deseronto Post)

Pontiac Charcoal Limited, Calumet Island, Que., will utilize a lately perfected process to manufacture charcoal from wood hitherto regarded as waste. A plant is being built designed to handle about 800 cords of wood daily. It is estimated that two cords of wood will make one ton of charcoal. (Ottawa Evening Journal)

Motorways, Ltd., is building a $5,500 warehouse at 576 Wellington St., Toronto.

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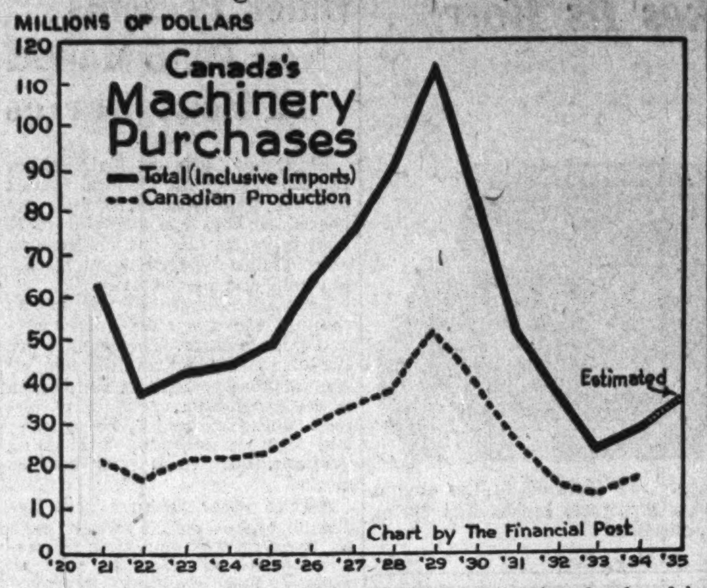
Canada's Big Potential Machinery Market



The big backlog of demand for new machinery which has developed in Canada in the past six years is shown by a study made recently by The Financial Post. The story is told graphically in the above diagram (and also on page ' of this issue) and reveals that purchases of new tools and machinery in Canada dropped from a peak of $115.1 millions in 1929 to less than $25 millions in 1933. This is the lowest point in over twenty years.

The figures take on added emphasis when it is realized the tremendous strides toward development of new machines which have taken place recently and which have rendered obsolete millions of dollars of equipment bought even as short a time as six or seven years ago.

The dashed line indicates actual Canadian production of plant machinery and equipment (exclusive of office and household machinery) while the black line indicates production plus imports.

Many Factors Aid Recovery in Britain

Building, Motor Industry and Electrification Important

BY B. G. NEWTON
Manager, Canadian Machinery

Conditions in England seemed to me to be much better even than I had anticipated.

During a two months visit from which I have just returned I had occasion to visit a number of engineering plants, particularly in the machine tool industry. They were in a state of great prosperity—many of them operating night shifts, and all operating overtime in an attempt to cope with orders. Some manufacturers are quoting 15 months delivery for machine tools; most are unable to promise delivery under ten months.

No Let-up Yet

The more optimistic manufacturers are of the opinion that business will continue to be good for another three or four years, while the more conservative felt that there would be no let-up for at least two years.

Domestic business accounts for 75 per cent of the machine tools, these being absorbed by the general metal-working trades which seemed to be in a highly prosperous condition. Shipbuilding has been in a bad way, but is beginning to show signs of returning activity. The Queen Mary, directly and indirectly is, I am told, giving employment to over 6,000 men.

There is a decided shortage of skilled machinists and fitters, and this is bound to become more acute as time goes on since the standard of wages is not attracting apprentices to the mechanical trades.

Three Factors Responsible

Prosperity in England is largely due to three factors:

(1) The remarkable expansion of the motor car industry since it has had a protection of 33 1/3 per cent.

(2) The tremendous building boom which is in evidence all over England.

(3) The electrification of practically the entire country.

Motor Car Trends

Automobile manufacturers have developed cars which are particularly adapted for use in the home market. Smaller as a rule than Canadian cars they occupy less space on the roads (many of which are extremely narrow)—and are of lower horsepower, which is an important consideration when heavy license fees are considered.

Petrol consumption is lower, also—an important point when it is remembered that the tax on "gas" is 7 pence (14c.) per gallon. The cars are beautifully upholstered—most of them being either "open" or with sliding "sunshine" tops. Motor car plants are well equipped, and obsolete machinery is scrapped the moment something more efficient comes on the market.

Building Boom

The outskirts of every town and city have a fringe of new houses. They are not pretty or picturesque as are the older houses. They stand in ugly rows of redness—red brick and red roofs—but they contain nails, hardware, plumbing, fixtures, etc., and their construction has brought prosperity to the building trades, and indirectly to the community at large. The boom is still on.

Electrification

The electrification of England in the building of what is called the grid system, has been a veritable gold mine to the electrical industry. Transmission towers are rearing their unattractive heads all over England. Their construction and the wires they carry, the generators and the power plants, placed at strategic points, the introduction of electrical equipment of all kinds into homes and offices is contributing their share to the general prosperity of the nation.

Cotton Troubles

The cotton industry is not so flourishing. All its troubles cannot be traced to Japanese competition, although this has been severe. It may be a blessing in disguise, and the necessity which will prove the mother of the great invention needed to bring cotton manufacturers together.

The growing popularity of rayon has also seriously affected the cotton industry. A rayon factory in Coventry employs over 15,000 people. When you consider that there are large artificial silk factories in other countries, as well as England, we can readily understand what keen competition rayon has been giving both the real silk and the cotton producers

Need For Co-operation

One of the troubles which has handicapped the cotton industry was reflected in the remarks of Lennox B. Lee, chairman of the Calico Printers' Association at their annual convention in September. He said:

"Until the cotton industry can face the rest of the world as a competent and efficient unit, and make its plans on that basis, we cannot hope for any enduring solution of our difficulties. An industry which is alive, which can act as one, and act promptly, is not only at an enormous advantage, but it is the only combination which can take decisive action.

"Much of the initial ascendancy, due to Lancashire's early start and progressive specialization has been lost owing to its slow and dilatory progress in adapting old-fashioned methods to new world conditions."

Unemployment Less

As an evidence of British prosperity, some reference to unemployment insurance might be made. In September the Unemployment Fund was "up," $5,000,000 per month. This was termed a "profit" the receipts being that much in excess of disbursements. A surplus of £20,000,000 has been accumulated after paying £2,500,000 which is to be handed over to the National Debt Commissioners every half-year toward liquidation of the £115,000,000 deficit which accumulated on the fund before the present Government came into power.

First reductions in the contributions payable by employers and employed will be announced in a few weeks to take effect from Dec. 31. The reductions will be: Men—penny by employers and penny by workmen. Women—halfpenny by employers and halfpenny by workers. The ministry hopes to be able to increase the allowance to the unemployed men's children.

Steel is Prosperous

The steel industry is in a highly prosperous state from all reports, it being indicated that all records in future will date from 1935. Total production of steel is expected to exceed 10,000,000 tons before the year is finished. This figure will be higher than the 1917 record figure, when 9,800,000 tons were produced.

Many factors have gone to help the recovery and stimulate the growth of the industry, chief among them being the recent agreement with the International Steel Cartel, which restricts other countries' exports of steel to Great Britain to 670,000 tons for 12 months, and to 525,000 tons for the following four years. The building boom has also resulted in an increasing use of steel. The motor car manufacturers, of course, have become large regular customers.

Air Conditioning Prospects

There would seem to be an opportunity for the sale of air-conditioning equipment on a large scale in the near future. Smoking is permitted in all theatres; and with the majority of people cigarette smokers the air soon becomes thick enough to cut. Some of the new cinema houses have air-conditioning equipment, and once the idea catches on all theatres will fall in line.

The railroads are aggressive in their drive for business. While they seem to be stimulating passenger trade and recovering some of the business lost to buses, they do not seem to be making any headway in regaining freight business lost to the motor transport.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.50	$6.75	$6.00
Hogs	9.85	9.65	8.40
Copper, lb.	.09¼	.09	.09
Cotton, lb.	.1120	.1135	.1265
Rubber, lb.	.1259	.1212	.1443
Sugar, raw, lb.	.0365	.0365	.0293
Silk, lb.	2.07	2.07	1.20
Wheat (Man.) bus.	.90⅝	.94⅜	.80¼
Coffee, lb.	.06⅝	.07	.09⅝
Weekly Indices			
N. Y. Annalist	130.2	128.7	116.5
Fishers'	85.5	85.6	†80.2
N. Y. Journal of Comm.	82.4	82.3	76.8
Crumps (Brit.)	67.6	66.8	†66.4
U. S. Labor	81.0	81.0	77.2
Canada (D.B.S.)	73.0	72.7	71.2

†Average 1934.

Monthly Indices	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (Sept.)	79.3	79.4	78.8
W'sale (Sept.)	72.3	71.6	71.9
U. S. Labor (Aug.)	80.5	79.4	77.5
Gt. Brit. (June)	68.1	68.6	65.3

Note: Indices on all base 1926 = 100. British index is Economist converted to 1927 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; select bacons, Toronto.

Background of Business

Liberal Building Plans

New Government Has Ambitious Programme—Modernization Urged

One of the general planks in the Liberal platform, amplified by W. L. Mackenzie King in his radio speech of August 6, was the stimulation, under a national commission, of various building and construction programmes. Since only five men are now at work in this field as compared with ten in the "normal" year, and approximately 17.5 people in the peak year 1929, it is reasonable that rapid action may be taken by the new government to stimulate a group which normally employs 7 to 10 per cent of Canadian wage-earners.

The actual reference made to this problem by Mr. King in his August radio address, follows:

"The programme to which a national commission would be asked by a Liberal government to direct its attention . . . would include necessary projects already commenced or previously undertaken such as: public works, buildings and municipal improvements; extension and improvement of highways and elimination of level crossings; provision of airway facilities and ground services; large scale schemes of afforestation.

"What I believe this country would welcome, above all else, would be a comprehensive scheme of urban and rural improvements. Such a scheme would approximately include the clearance of slum areas, housing programmes, the painting and repair of buildings and fences both in the cities and country, and of scenic development which would serve to make Canada second to none for tourists."

* * *

Modernization Urged

Already criticism is being heard that the Housing Act initiated by the late Bennett Government is too slow in getting under way and strong representations are being made that this should rapidly be extended to include modernization and repair work. It is argued that experience in other countries indicates the difficulty of getting any plan for stimulation of new construction under way with any speed; that in the U.S., for example, modernization and repair work was given precedence for this reason.

Typical of the type of representations being made along this line is a current editorial in Sanitary Engineer, Toronto, which states:

"There is no valid reason why modernization work cannot be carried out on a similar basis to the provisions made for new construction, in the Canadian Housing Act. There are capable governmental representatives in every locality who could, in collaboration with officials of the loan companies or banks, pass upon the requests for loans.

"More deferred payment business is being done today than in some years. Buying power is increasing and if the plumbing and heating business doesn't make it easy for people to buy its products, the money will be spent for other things. This industry, through its organizations and through personal effort should take hold of this situation and see that modernization is given the importance it deserves in the Housing legislation."

* * *

48-hour Week Not Defined

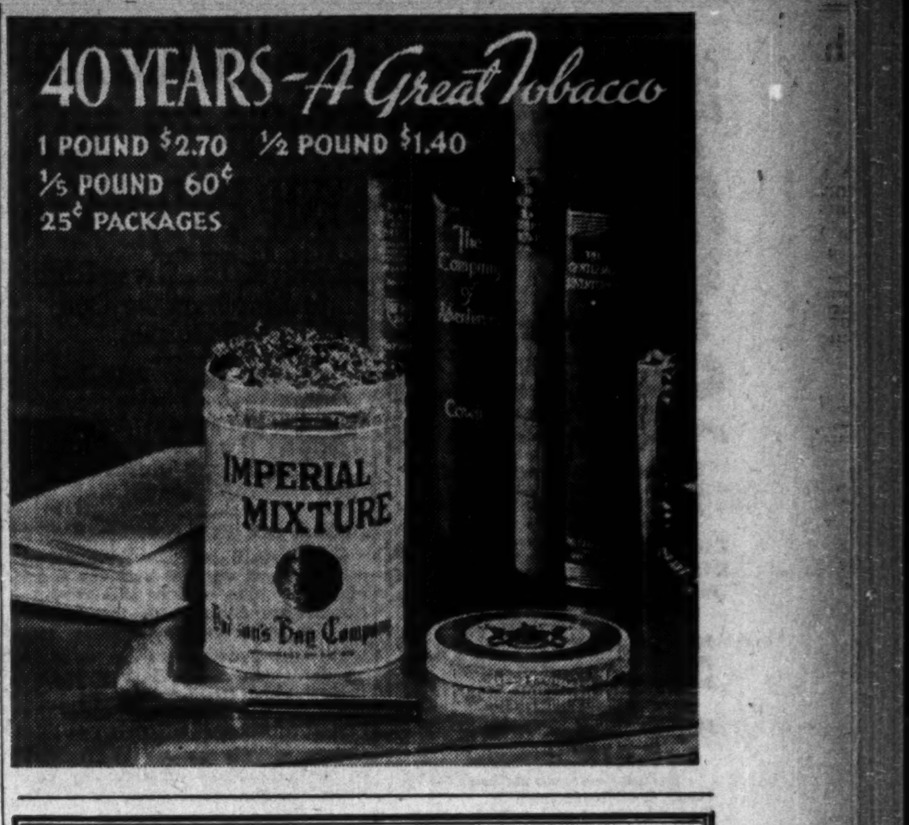
The Limitation of Hours of Work Act, passed at the last session of the federal legislature, came into effect on Oct. 5. Pending adoption of regulations contemplated by the act, however, the features subject to regulation would seem somewhat indefinite. It is understood that work is at present progressing on the drafting of such regulations, although to what extent it has gone is not definitely known.

The act forbids employment of persons in the industries designated, for hours in excess of eight each day or 48 a week, unless under exceptional cases. It is these exceptions which are open to varying interpretations at the present time.

Some manufacturers have been of the opinion that this act may clash with legislation such as the Ontario Industrial Standards Act. Authorities point out, however, that if the hours provided for in a provincial act are less than under the Dominion law, the provincial legislation shall override the Dominion.

British Industries Fair Will Be Held in February

The British Industries Fair will be held in London and the Engineering and Hardware section in Birmingham from Feb. 17 to 28 in 1936. The director of the fair states that the volume of applications for space already ensures that it will surpass all previous displays in importance.



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NEWFOUNDLAND MOVES TO SELL FISH PRODUCTS

Harvey & Co. Given Right to Merchandise Cod Oil Output

FROM BAY BULLS

Place Government Approval Behind Project to Build Important Markets for Colony

From Our Own Correspondent

ST. JOHN'S, NFLD.—Taking first steps toward what it believes is an elaborate plan which will revolutionize the fisheries of the Island, the Commission Government last week-end made public the terms of an agreement with Harvey & Co., under which that firm takes over the whole manufacturing part of the biological fisheries laboratory at Bay Bulls and will market all products of the laboratory, particularly cod liver oils and emulsions.

Terms of Agreement

Terms of the agreement between the Government and Harvey & Co. are given in an official communique:

"The Commissioner of Natural Resources was empowered to enter into an agreement, for a term of three years, with Messrs. Harvey & Co., Ltd., for the commercial exploitation of certain food and medicinal products of the Marine Biological Station at Bay Bulls. The company will take over the whole of the existing manufacturing machinery at the station, provide the capital necessary for enlarged operations, market the products locally and extend the sale to Great Britain and Canada as soon as markets can be developed in those countries. Officers of the laboratory will supervise the operations and a seal in the nature of a certificate of quality will be provided by the laboratory for all the products of the required standard.

"The company will pay the Government royalties on a scale mutually agreed."

Hope For Lower Prices

Products of the Bay Bulls station, which have been already experimentally marketed locally, are various cod liver oil preparations, cod liver oil emulsions and malt extracts, canned and prepared fishes of various kinds, canned blueberries and blueberry cordials and other canned local berries and fruits.

It is held by the Government that the present prices of cod liver oil preparations to the consumer are altogether too high, due to too many middlemen's profits, and that cod liver oil preparations which retail to the consumer for over one dollar a bottle can be produced for about twenty cents, even when duty is paid on bottles, lithographed labels, malt, etc. It is believed the price of cod liver oil extracts can be reduced to a point which will give the Newfoundland producers a competitive position in world markets.

Terms Seen Generous

The agreement with Messrs. Harvey & Co. seems to be a very favorable one to the company, as the official statement says "all the manufacturing machinery" of the Bay Bulls station is to be turned over to them, and the scale of royalties they will pay the Government is understood to be:—

On malt and cod liver oil products for export, 12 oz. bottle, 1c. per bottle. When sold in Newfoundland, 7½c. for the same size bottle.

On cod liver oil, 8 oz. bottle, 1c., both for export or sale locally.

On white emulsion, 8 oz. bottle, 2c. per bottle, whether for export or sale in Newfoundland.

Royalties on the other products are not yet determined, as production of canned commodities will not be undertaken at first, except for local consumption.

Must Expand Outlets

Behind the new agreement is the belief of the Government that perpetuation of the salt codfish industry, as the main avocation of the coast dwellers, who constitute by far the larger proportion of the population, can never produce conditions that will take the fishermen out of their present penurious state which is at best merely a jump ahead of actual destitution.

Each year it becomes more and more difficult to secure prices for salt codfish remunerative to the producer, and while this exists prices of practically everything he uses are fluctuating upward.

Other Plans Disappoint

The Government had hoped, at the outset, that by reducing the level of customs duties on things consumed or required by the fishermen, it might be so able to make the cost of production lower, and thus provide the fishermen a fair return in spite of lowered prices abroad for salt cod. Ideal as this scheme seemed on paper, it did not have the required effect, and though customs duties have been, in some cases completely eliminated, and in practically all greatly reduced, the fishermen will find themselves not so well off at the end of this season as they were last year.

It is estimated that applications for public charities will be considerably higher than in 1934, when the total expended on "dole" was $1,100,000. Estimates of expenditure for this purpose, made at the end of June last, set $1,000,000 as the necessary figure for 1935-36, but it is generally believed that that amount will prove entirely inadequate, and a return to the figures of 1933-34, when the total relief expenditure was a million and a half, is freely prophesied.

With conditions like this, where every slight setback postulates greater demands upon the public treasury, the Government feels that it can ignore no steps which can bring it other producing methods which will utilize what are at present by-products of the fishery and of small value, and turn them into profitable productions.

Steam Trawler Looms

It also visualizes the revolutionizing of the cod fishery by the gradual introduction of big steam trawlers.

The advantages of these will be that fishermen employed would receive regular wages in cash, in contrast to the small amount now earned by the average fisherman and which is usually paid him in goods from the merchant's store. It would make possible the utilization of fish offal, and of other kinds of fish which are at present discarded by the fisherman, who considers nothing marketable except cod. The concomitant of these trawlers would be fish-reducing plants, which would provide another source of employment and another source of national revenue.

Aid to Physique

That such revolution will mean an eventual and large reduction of the actual number of persons engaged in the fisheries is fully foreseen by the Government, but its reply to this is the creation of land colonies, as rapidly as possible, where a better living will be available. Surveys made both by the local Rotary Club and by Government agencies, confirm the fact that the general standard of physique is better in places which utilize agricultural products, even though the actual cash earnings are less, than in places where fishing is solely undertaken, even thought the latter group may have more cash to spend.

Since the general physical standard is extremely low among the coast settlements the Government feels that it would be no economic loss if a considerable proportion of those who now depend entirely upon an uncertain fishery should be reorganized into farming communities where, even if their actual cash earnings might be low, they would be assured of a sufficiency of food.

Story of Bay Bulls

The Bay Bulls biological station, around which the latest plan centres, was inaugurated in 1929 under an agreement between the government of Sir Richard Squires and the British Empire Marketing Board. Two years ago the British Chancellor of the Exchequer considerably reduced the vote for the Empire Marketing Board, and they, in turn, were compelled to notify the Newfoundland Government that their contribution to its upkeep would be withdrawn as soon as the five-year term, under which the agreement was made, was completed.

This action places full responsibility for maintenance of the biological station upon the local government, involving an annual expenditure of about $50,000, so the Government felt that any plan under which the station could produce revenue should be given consideration.

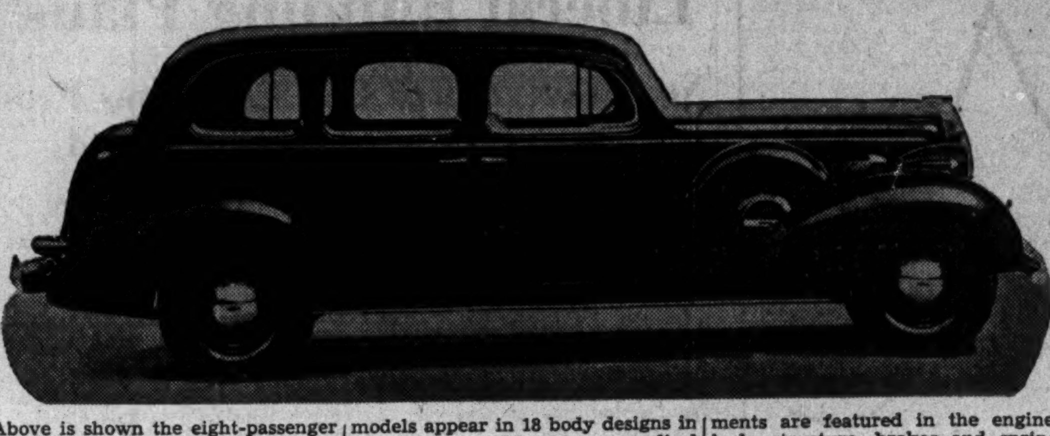
It is understood that the Hudson's Bay Company were in negotiation, but that they failed to offer as favorable terms as Harvey & Co., though that does not seem to be the real reason why Harveys were selected.

Plan Large Scale Operation

If the scheme which the Government now has in view works out, in the course of a few years it is expected that a fleet of steam trawlers will be acquired. The plan is that within the three-year period under which Harvey & Co. are given control of the Bay Bulls station's production, that Harveys shall float an operating company which will be open for public subscription, and with the experience thus gained, undertake large scale manufacture and marketing of medicinal cod liver oil preparations, canned and prepared fishes and berries, etc.

As Harveys already operate an extensive refrigerating plant, exporting to the London market about two million pounds of chilled salmon annually, as well as large quantities of frozen blueberries to United States, the culmination of the proposed scheme will make them a vital industrial force in the Island's economic plan, and place by far the major control of the fishing industry in their hands.

New McLaughlin-Buick Makes Its Bow



Above is shown the eight-passenger sedan, "Forty-nine" series, of the 1936 McLaughlin-Buick, which recently made its appearance. The new models appear in 18 body designs in four series. Although no radical change has been made from last year's models, a number of improvements are featured in the engine, body structure, brakes and spring suspension.

Public Utility Earnings

Mexican Light & Power August:	1935 $	1934 $	Increase $
Gross earns.	660,506	641,525	18,981
Oper exps. & deprec.	469,191	474,910	*4,729
Net earns.	191,315	166,615	24,700
Eight Months Ended August 31:			
Gross earns.	5,122,320	5,517,305	*394,985
Oper exps. & deprec.	3,668,141	3,817,677	*149,536
Net earns.	1,454,179	1,699,628	*245,449

*Decrease.

Ford Features Streamlining

[illegible] streamlining, interior treatment and chassis improvements [illegible] greater comfort are the principal changes in the 1936 Ford [illegible] will go on view Saturday. The accompanying photograph shows the new fender and horn design, the latter now being recessed in the fender aprons. The 90 horsepower engine is unaltered.

MUNICIPAL FINANCES

Ottawa's taxable assessment this year is up almost $1.4 millions over last year, the total assessment made this year as a basis for taxation in 1936 being $157,873,906.

The sources of increase are as follows:

Assessment Increases	1935 $	1934 $
Real property	136,896,188	136,043,908
Business	14,561,917	14,166,730
Income	6,415,801	6,269,416

* * *

Stratford's public utilities commission has asked city council for permission to pay and cancel Commission debentures amounting to $50,000 held in the city's sinking fund. The debentures are paying 5½ and 6 per cent.

* * *

The Quebec Municipal Commission will submit plans for reorganization of the finances of **Delisle Township,** the village, school commission and church trustees of **St. Coeur de Marie,** and the town and parish of **St. Joseph d'Alma** at special meetings in Quebec City on Oct. 23.

* * *

Toronto collected almost $26.4 millions or 75 per cent of its 1935 tax levy of $35.5 millions by the first week in October. Last year at the same time the municipality had collected $25.5 millions on a slightly lower levy. The total of all taxes, current and arrears, outstanding at Oct. 5 was $13.9 millions as compared with $14.7 millions a year ago.

* * *

Brantford has $80,000 to its credit in its current account in the bank, Mayor M. A. Colquhoun states, which is more than enough to retire all its bank loans. The municipality's appeal for speedy payment of taxes met with splendid response and on Oct. 5 only $144,163 was needed to balance the budget for the year. The mayor says that this amount will likely be collected before long. Tax collections to Oct. 5 were $807,848 compared with a budget figure of $952,012.

* * *

Toronto's funds for relief expenditures at present are $500,000. The Board of Control reports that the city's share of direct relief expenditure to the end of September was $2,606,516. Of this amount administration costs and other non-admittable items have been paid out of current revenue, amounting to $295,901.

* * *

Regina's tax collections for the first nine months of the year were $138,104 in excess of the same period a year ago.

The collections were as follows:

Tax Collections Jan. 1 to Sept. 30	1935 $	1934 $
Current	1,146,944	1,107,130
Arrears	395,180	296,891
Totals	1,542,125	1,404,021
September Collections		
Current	94,335	89,312
Arrears	76,440	34,662
Totals	173,025	126,400

* * *

Calgary schoolboard's financial position was improved by $35,000 when that amount was received from the city on 1935 taxes and 1933 and 1934 arrears of taxes. The sum is to be applied to the board's overdraft at the bank which will be reduced from $319,000 to $284,000.

* * *

Winnipeg motor vehicle tax may not be extended into 1936. Imposed three years ago as an emergency measure for revenue, the tax has accounted for receipts of $90,835 up to Sept. 30 this year, and $87,962 in the same period in 1934. The measure expires Dec. 31, and a new bylaw would have to be enacted for 1936. The finance committee of the council voted down a proposal to have the legislation extended but later rescinded its decision.

* * *

Toronto Board of Education emergencies are costing the Board approximately $5,000 per month, according to a report from Business-Administrator C. H. R. Fuller. He states that the emergency account is overdrawn by approximately $11,000 and that in order to take care of emergencies it will be necessary to divert some surplus funds from insurance appropriation.

* * *

Bradford, Ont., will be surveyed by a town-planning expert on Nov. 7. He will later outline what means could be taken to make improvements to the city.

* * *

Toronto's local improvements have cost $72,660 during the first nine months of 1935. Of this total the city paid $23,283 and the ratepayers, whose properties were benefitted, paid $49,377.

* * *

Ottawa is preparing to place on the market in the near future a civic debenture issue of $1,820,000. Time of the sale will depend on market conditions.

* * *

Edmonton's newly-organized Tax Reform League has urged the necessity of "some form of immediate relief" to relieve the taxation burden now placed on real property, the city's only source of taxation revenue. Fear that the city soon would own all the homes and land within its boundaries was expressed by many in attendance at a recent meeting. They supported recommendations of the Government Tax Inquiry Board which urged more equitable distribution of taxation.

* * *

Edmonton will be circulated shortly with a petition urging the appointment of a commission to investigate the financial conditions of the municipality. Mayor Clarke has written to Premier Aberhart, requesting a loan of $250,000 to assist civic financing this year.

* * *

Winnipeg's civic council has passed a by-law reducing the penalty on tax arrears from nine to six per cent per annum, or one-half of one per cent a month. The six per cent penalty applies to taxes to Sept. 1.

NEW FORD MODELS MAKE APPEARANCE NO BASIC CHANGE

Improved Steering, Streamlining and Interior Design Featured

The 1936 Ford was shown to dealers this week, and will be publicly shown at the week-end for the first time. There are no radical changes. Conservatively streamlined bodies, a new interior treatment and three changes in chassis engineering summarizes principal improvements. The 90-horsepower V-8 engine remains unaltered, except for improvement in cooling.

Of the three principal chassis changes, one, improved steering, is aimed at greater ease and safety of operation. It is estimated that steering effort has been reduced more than 25 per cent. The other two tend to greater comfort. One is the use of new steel wheels which lessen unsprung weight and provide greater riding comfort. The other is an improved transmission using helical gears, formerly used only in second and high speeds, in all forward speeds and reverse.

Interior design is finished in grey and has been treated in a modernistic manner. All instruments have been restyled to conform to this modern effect.

The hood of the new car is longer, extending over the new radiator grille. Fenders are streamlined with a wide inward flare, and horns are now recessed in the fender aprons back of small round grilles under the headlights. The body, is low and wide, is available in ten models, seven with de luxe appointments. There are five colors: Washington blue, grey, vineyard green, cordoba tan, gunmetal and black, of which the first two are new.

Regina's Borrowing Down At End of September

Regina's current borrowing, unfunded capital borrowing and guarantee at the bank, totalled $753,226 at the end of September. The city treasurer reports this total to be made up as follows:

	1935 $	1934 $
1932	nil	161,000
1933	203,147	393,000
1934	338,000	343,919
1935	212,079	......
Totals	753,226	896,919

The last figure is not comparable with the 1934 borrowing because the 1935 figures do not include the government's share, of direct relief hypothecated which was in the city's general borrowing last year. 1935 general borrowing includes not only the government's share of direct relief not yet hypothecated to the banks but the city's share of direct relief which it was supposed to capitalize and estimated at $275,000. These statements show the 1935 direct relief capitalization at $377,000 for the borrowing of which arrangements have not yet been made.

Drugs and Drug Sundries

The per capita sales of drugs and drug sundries in Manitoba total $5.47, in Saskatchewan $3.73, in Alberta $4.59 and in British Columbia $6.17.

Buick Presents New 1936 Models In Four Series

Four new lines of McLaughlin-Buicks, first of the General Motors cars for 1936, have made their appearance. They are available in 18 body types, for all of which the company claims improvement in appearance and performance.

Lacking radical mechanical changes, the new models have several new features. The engines are lighter, more silent and develop increased horsepower. An innovation is the installation of "Anolite" pistons. These are said to be equal to cast iron in strength and oiling qualities, but weigh only half as much.

Among other features are: hydraulic brakes on all models; new oil temperature regulation; automatic control of idling as well as starting and choking; improved headlights; changes in weight distribution and ride stabilizer; and new body insulation.

It is claimed that on the "Forty" series, the engine will accelerate from 10 to 60 miles an hour in high in slightly over 20 seconds. Wheelbase range of the new models varies from 118 inches on the 93-horsepower "Forty-four" series to 138 inches on the 120-"Forty-nine" series.

Prices of the cars delivered at Toronto with license, range from $1,274 for the two-passenger "Forty-four" coupe, to $3,300 for the eight-passenger imperial sedan. Owing to changes in the various series, comparison with last year's prices is difficult. It is stated, however, that on comparable models there is little change.

Motor Sales Up 50 Per Cent Over Year Ago

Sales of passenger automobiles throughout Canada in the first eight months of this year were 66,134, more than 30 per cent above those in the corresponding period of 1934. The margin over last year was increased during August when, in spite of smaller turnover in some of the leading makes, the number of cars sold rose.

Comparative figures for the first eight months of the year, showing the ranking of the different cars are as follows:

	1935	1934
Ford	20,199	12.837
Chevrolet	14,626	13,483
Plymouth	6,944	5,493
Dodge	6,316	5,128
Oldsmobile	4,477	2,383
Pontiac	3,949	1,877
Terraplane	2,015	1,763
Chrysler	1,597	1,387
Studebaker	878	920
McLaughlin-Buick	861	1,906
Hudson	823	917
DeSoto	620	207
Graham	586	546
Packard	556	99
Hupmobile	383	233
Nash	281	178
Lafayette	249	55
LaSalle	131	76
Reo	118	98
Cadillac	67	84
Pierce-Arrow	8	20
Lincoln	6	11
Total	66,134	50,229
Commercial Cars—		
Ford	5,333	3,348
Chevrolet	4,110	3,434
International	1,692	863
Dodge	1,074	952
G. M. C.	691	485
Total	13,957	9,933

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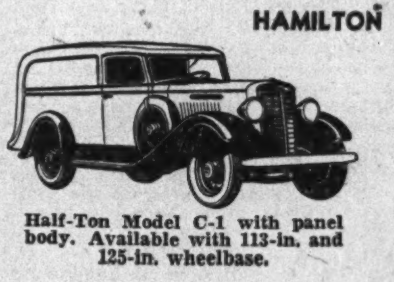
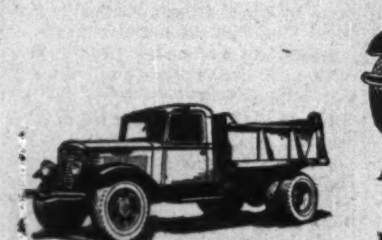
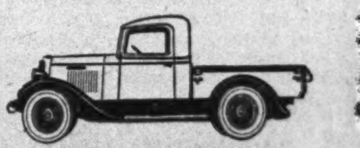

Half-Ton Model C-1 with panel body. Available with 113-in. and 125-in. wheelbase.

Above: 2-ton Model C-40 with cab and stake body.


Heavy-Duty International with cab and dump body.


Half-Ton Model C-1 with cab and pick-up body.

Below: Heavy-Duty International and close-coupled semi-trailer with self-compensating fifth wheel.

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Brazilian Traction

Company's Operations All Right But Exchange and State Regulation Problems Knotty

Brazilian Traction Light & Power Co. operating earnings, measured in Brazilian money, could have paid regular cash dividends in every year of the depression if all the stock were held by Brazilians.

All this is confidence-inspiring when the measure of accomplishment is the Brazilian milreis. But when the measure is the Canadian dollar or the United States dollar on the English pound the picture changes. It changes, first of all, because the milreis, which was worth on the average 11.97 cents in 1929, fell to 10.88 cents in 1930, to 7.11 cents in 1931 and to 5.5 cents recently. Profits would have had to double in the depression just to maintain the old dividend rate even if the Brazilian Government would have allowed the money to go out of the country. Just what Brazilian Traction did earn in milreis is not stated. The company shows its yearly and monthly results in dollars because that is the basis for paying interest and dividends. It earned only 51 cents a share in 1934 compared with $2.50 in 1930. Earnings in milreis might even have been higher while earnings in dollars are lower. That did not matter so much while the company was able to adjust its charges on a sliding scale. This automatically adjusted itself to the changing values of the milreis in gold currencies of the world.

Negotiating New Rates

Then came the "gold" decree of President Vargas which cancelled the right of foreign-owned companies to adjust charges to the gold worth of the milreis. This right had first been suggested decades ago by a Brazilian government which desired to attract foreign capital and to make it feel reasonably certain that earnings and dividends could be maintained even when Brazilian money was unstable.

It is now necessary for Brazilian Traction to get new rates agreements with various municipalities. Since the Vargas gold decree it has been charging temporary rates. This year it is trying to negotiate new arrangements of a permanent nature. The president Miller Lash, K.C., is now in Rio de Janeiro, giving personal attention to the situation. It may take a considerable time to arrange rates which are fair to all sides. The monthly earnings statements indicate that the company has so far been able to keep up a good earnings record on the temporary rates in force.

Therefore, in the future, the investors in Brazilian Traction common stock will be more at the mercy of fluctuations in Brazilian exchange than ever in the past.

Relation to Foreign Capital

Brazil is a country which owes much to development undertaken on the basis of foreign money. Its greatest agricultural industry, coffee-growing, also depends for its prosperity mainly on foreign demand. Brazil trade commissions have been striving strenuously in the last year to negotiate favorable trade agreements with the United States, England, France and other countries. It has not been able to maintain service on the whole Federal, State and municipal debt to foreign capitalists because its surplus of exports has not been enough to pay both for imports and for complete service on its foreign debt. It therefore will not allow companies like Brazilian Traction to send any part of profits out of Brazil to be used in paying dividends. Government needs must first be looked after and imports must be paid for.

The Brazilian contention is that it must first sell more coffee, cotton, fruit and other products in foreign markets before it can take full care of interest, sinking fund and principal maturities on Government debts owed abroad. When the Brazilian Government can give complete service on its debt and when it is able to drop its partial control of foreign exchange, then shareholders of Brazilian Traction Light, Heat & Power Co may hope for still further improvement in Brazil's international trade because that would mean the resumption of cash dividends again if they are still being earned.

Foreign trade is growing. In the first half of 1935 total foreign trade was 3.6 million contos as compared with 2.8 million contos for the first half of 1934. Exports were up 15.2 per cent but imports were up 50 per cent.

Coffee Status Improves

Exports of coffee from Brazil in the year ended July 30, 1935, were 14.9 million bags compared with 16.1 million bags in the preceding 12 months. Since then shipments have been increasing though dollar value is the same. Payments locally for coffee have remained about the same but the lower exchange enables the French and United States buyers to get more coffee for the same money. The Brazilian Government, attempting to overtake the initial mistake of holding an umbrella over the coffee producers of the whole world by storing surplus crops to maintain prices, has burned 35.2 million bags since 1931. This year burning has been on a smaller scale, only one million bags being burned in the first seven months of 1935. Penalties are in force against new coffee trees being planted. Every effort is being made to switch marginal producers to growing of cotton, oranges and other products. Its coffee surplus problem is much like that of Canada's with its wheat. The surplus is lower than for many years and the new crop, being somewhat low, will not be unmanageable.

But there is still more potential coffee production than consumption in the world. If the pressure is once relieved coffee prices will go up again and automatically restore Brazil's exchange freedom. Thus shareholders of Brazilian Traction have a direct interest in coffee prices, supply and demand.

Internal Trade Brisk

Internally, Brazilian production and trade are brisk. If Brazilian Traction has not been able to pay dividends it has been able to turn a portion of the amount available back into the property and continue the most favorable expansion projects of the days before depression. If anti-foreign policies adopted by other Latin-American countries toward utilities established and developed by foreign capital, are not accepted in Brazil, the prospects of internal development and success remain as bright as ever. Under its new constitution and with democratic procedure once more established, it is hoped that fair play will be given to such enterprises.

To conclude, the company's difficulties are inseparable from the times. They are not of its own making. Considered apart from the background of disturbed politics and exchange and international trade, it presents a most favorable aspect.

Calgary Power

Can you give any information as to the current position of Calgary Power Co.? I understand that it will be affected by the cancellation of contracts with the Ontario Hydro Commission.

Calgary Power Co. has $12 millions of mortgage bonds coming before $6 millions of six per cent cumulative preferred stock of $100 par value. The company has been able to earn preferred dividends at a good margin. The company has had a good working capital since it paid off its bank loan in 1933 by issuing $2 millions of five per cent first mortgage bonds due 1964.

The danger to Calgary Power comes in the fact that during 1931 it acquired control of the Ottawa Valley Power Co. operating on the Quebec side of the Ottawa River at Chats Falls. Power contracts between Ottawa Valley Power and the Hydro-Electric Power Commission of Ontario may be cancelled soon. This might mean bankruptcy for the subsidiary unless substantial concessions are made. That in turn would cause common dividends of Calgary Power to stop and might adversely affect the preferred stock.

United Fuel

Do you think United Fuel preferred would be directly benefitted by further industrial recovery?

United Fuel Investments preferred is in arrears more than 20 per cent in dividends. The company is well managed and its subsidiaries have the industrial districts of Hamilton as their market. Uncertainty with regard to tariff drawbacks has rather interfered with the company's progress recently but in a time of high industrial activity it should have its best chance.

Edmonton, Dunvegan

We have been asked for some information regarding the 4½ per cent bonds of Edmonton, Dunvegan and B. C. Railway maturing Oct. 22, 1944. We understand these bonds represent a joint charge against both the C.N.R. and C.P.R. prior to the interest charges on their own debt, and the companies have leased the line for 199 years at a rental more than sufficient to pay the bond interest. We will be glad to have any information you may have on this point.

In 1929 Alberta disposed of its rights in the Edmonton, Dunvegan & B. C. Railway, and in three other provincially-owned railways, to the Northern Alberta Railways Co., which is jointly owned by the C. N. R. and C. P. R.

In regard to the Edmonton, Dunvegan 4½'s of 1944, these bonds are guaranteed unconditionally as to principal and interest by Alberta. In an agreement signed with the province, the C.P.R. and C.N.R. have agreed to indemnify the province against all liabilities in connection with its guarantee of the Edmonton, Dunvegan bonds.

Simpson's Ltd.

What is the present position of Simpson's Ltd. six per cent bonds?

Simpson's Ltd. six per cent bonds are apparently in a good position. The company's earnings in 1935 have not so far been up to the level of 1934. But it is too early to say what the final result will be as the last four months of the year generally give the largest volume of business. Still, the bond interest will be covered by a good margin.

Massey-Harris

What is your view of Massey-Harris common stock?

Massey-Harris common stock is a questionable hold. Dividends cannot be expected until the farmers of Canada and elsewhere in the world have their purchasing power increased greatly. Massey-Harris will have to have earnings high enough to resume its payments on the sinking funds of the bonds and to settle back dividends on the preferred stock before the common can get anything. These things are far distant.

Imperial Oil

Is Imperial Oil earning its dividends? Is the stock a good hold?

Imperial Oil is the leading company in the oil industry in Canada. It is one of the strongest companies financially, is well managed and has splendid affiliates outside of Canada. Most of its earnings are outside Canada. It is difficult at present to know just what the company is earning because part of its income represents dividends from its largest subsidiary, International Petroleum. International Petroleum is believed, in the last two years, to have paid considerably more than its earnings in dividends and bonus payments. Imperial Oil recently urged its employees to retain their shares for long-term investment, which is a pretty good inside opinion.

Howard Smith

Can you tell me whether or not Howard Smith Paper Mills guarantees the dividend on the preference stock issued by its subsidiaries? Also what is the amount in dividends called for on the subsidiary preference stock? I calculate that the amount of arrears on the subsidiary preferred stocks is $598,132 and on the company's own stock, $1,035,000. Is this correct?

Howard Smith Paper Mills does not guarantee the dividend on the preference stock issued by its subsidiary companies.

The subsidiary companies' preferred dividend requirements amount to approximately $150,000 yearly; Canada Paper Co., $87,500; Alliance Paper Mills, $60,210; the balance being made up by a small amount owing on another subsidiary company's preferred stock.

You are correct in your calculation of the arrears of dividends on the preferred stocks at the end of 1934.

Gatineau Power

Will you please let me have your opinion on Gatineau Power Co. 6 per cent debentures. If the Ontario government repudiates the Ontario Hydro contracts, will the company be in a position to pay the interest charges?

The Gatineau Power situation is very confused on account of the Ontario Hydro situation. If the Ontario government goes ahead with its plan to repudiate the contracts now held by Gatineau Power and other Quebec companies, the company will hardly be in a position to pay interest on its 6 per cent debentures. On the other hand there is the belief that the Ontario Government will continue to take part of the power now being delivered, so that Gatineau Power Co. will be able to meet its funded debt charges. It's not a very happy prospect.

Dominion Electric

Have you any information on the operations of Dominion Electric Power Ltd. and the position of its 5½ per cent bonds?

Dominion Electric Power Ltd. furnishes electricity to 28 communities in Saskatchewan and one in Alberta, and at wholesale rates to ten other communities in Saskatchewan. The property consists of 12 plants with a total capacity of 4,900 kilowatts. The population of the territory it serves is 24,000 and its customers more than 5,000. The 5½ per cent bonds were issued to the extent of $850,000. Throughout the depression years the company's earnings have been more than sufficient to look after the bond interest.

Rackets

"Set a Thief"

THE old belief that there is honor among thieves was certainly not in evidence in a case of roguery recently unveiled in Quebec. Acting on a tip supplied from an unknown source police located several large stills in different parts of the province. In every case this spirit making machinery was completely set up but never used. Investigation unravelled an ingenious scheme to extract money under false pretences. The story is told by officers of the Department of Revenue.

After locating one or two good prospects in the form of prosperous farmers with money in the bank, a promoter approached his victims and outlined a plan for making still more money. The farmer was urged to pay a share in buying a still and to combine with two other agents in the neighborhood to finance its operation. A fairly substantial sum was named as the farmer's contribution to be paid after the still was erected. The latter job was soon completed and also the collection of the money.

Then the racketeer immediately got in touch with either the police or the Quebec Liquor Commission and mentioned the location of the still. The raid automatically followed but unfortunately before all circumstances concerning the racket were supplied by the farmers, who naturally at first were loath to talk, the promoters had disappeared to operate in another district. Six stills in all were located and seized.

Mining Enquiries

Noranda Earnings

I hold some Noranda Mines stock, and would value your opinion on its present merits. I understand earnings have dropped off. Is this correct?

Despite the fact that Noranda's earnings during the first six months of 1935 dropped from $1.42 per share in the first half of 1934 to $1.14 per share in 1935 indications are, as stated in a recent article in The Financial Post, that the company's earnings over the 12 months, 1935, will exceed those of 1934, provided that the price of copper does not drop from the encouraging level it has now reached. Copper, and not gold, must be taken as the determining factor. You will note that during the first half of this year the volume of production of copper increased by 31 per cent, the decrease in earnings being attributed to increased taxes, operating costs, and lower copper prices. Of these three factors, it is probable that the lower price of copper was the major item. With the outlook for copper brighter at the moment than it has been for some months, we see no reason why Noranda cannot maintain its $2 dividend this year with ease.

Noranda is peculiarly fortunate both as to management and as to type and quantity of ore. The nature of the ore is such that Noranda's output of gold or copper can be altered according to conditions, that is, during the time of high gold prices, the company can become predominately a gold producer and the same with copper. As to the company's financial standing, a glance at the balance sheet since 1928 shows that its working capital position has been increased regularly every year until today the company has working capital of well over $9.6 millions.

Pamour Porcupine

As a regular subscriber to The Financial Post, I would appreciate an analysis of Pamour Porcupine.

Pamour Porcupine Mines is an amalgamation of three old properties in the Porcupine area. These properties, the Three Nations Mine, La Palme Porcupine Mine, and the Porcupine Grande, date back to the first days of the Porcupine camp. The properties were groups of interlocking claims which could not be developed separately.

Formed early in 1934 development at the company's property has shown steady progress. The company was formerly controlled by Quebec Gold Mining Corp. In April, 1935, an agreement was entered into whereby Noranda Mines took over the management of the property. The latter company now has an option on controlling interests in Pamour Porcupine.

Minewise, the company's position has shown steady improvement as a result of a well directed and energetic development programme carried out by Noranda. It is unofficially stated by interests close to the company that Pamour has definite plans under way for a mill, work on which will not start until next spring.

With Noranda in charge the company's property is in good hands and will receive thorough testing. The company is well financed. Under the arrangement with Noranda, that company is committed to total payments of $250,000 and holds options on Pamour stock which, if exercised, will with other outstanding options provide Pamour with about $1,200,000.

Lee Gold Mines

Can you give me some information regarding Lee Gold? What is its capitalization, the outstanding shares, and what development has been done up to the present time? How much ore have they blocked out, and is there a mill on the property, and what work do they propose doing this coming winter? I would appreciate having your personal opinion of this development and the financial position of the company.

Due to financing difficulties and erratic results obtained, operations were suspended on Lee Gold's Greenlaw Twp. property in January. There is little possibility of operations being resumed on this property as underground work failed to locate values of consequence. Interest in the company at the present time centres in three groups of claims staked in the Beaverlodge area in Northern Saskatchewan. This property was staked early this year by a prospecting party maintained jointly by Lee Gold Mines and Greenlaw Gold Mines. Only preliminary work has been done. The company is also jointly interested with Greenlaw Gold in a group of three claims in the Sturgeon River area of Ontario. Early in 1935, arrangements were made for the sale of this property to United States interests and a cash payment was received. Negotiations are still under way. If an arrangement is reached, it is planned to form a separate company in which Lee Gold will receive vendor stock.

The balance sheet as at Jan. 31, 1935, showed 2,575,000 shares outstanding of an authorized capitalization of three million shares. Current assets totalled $9,343 as against current liabilities of $3,011 and advances by directors and shareholders amounting to $8,578.

CANADIAN SECURITIES

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

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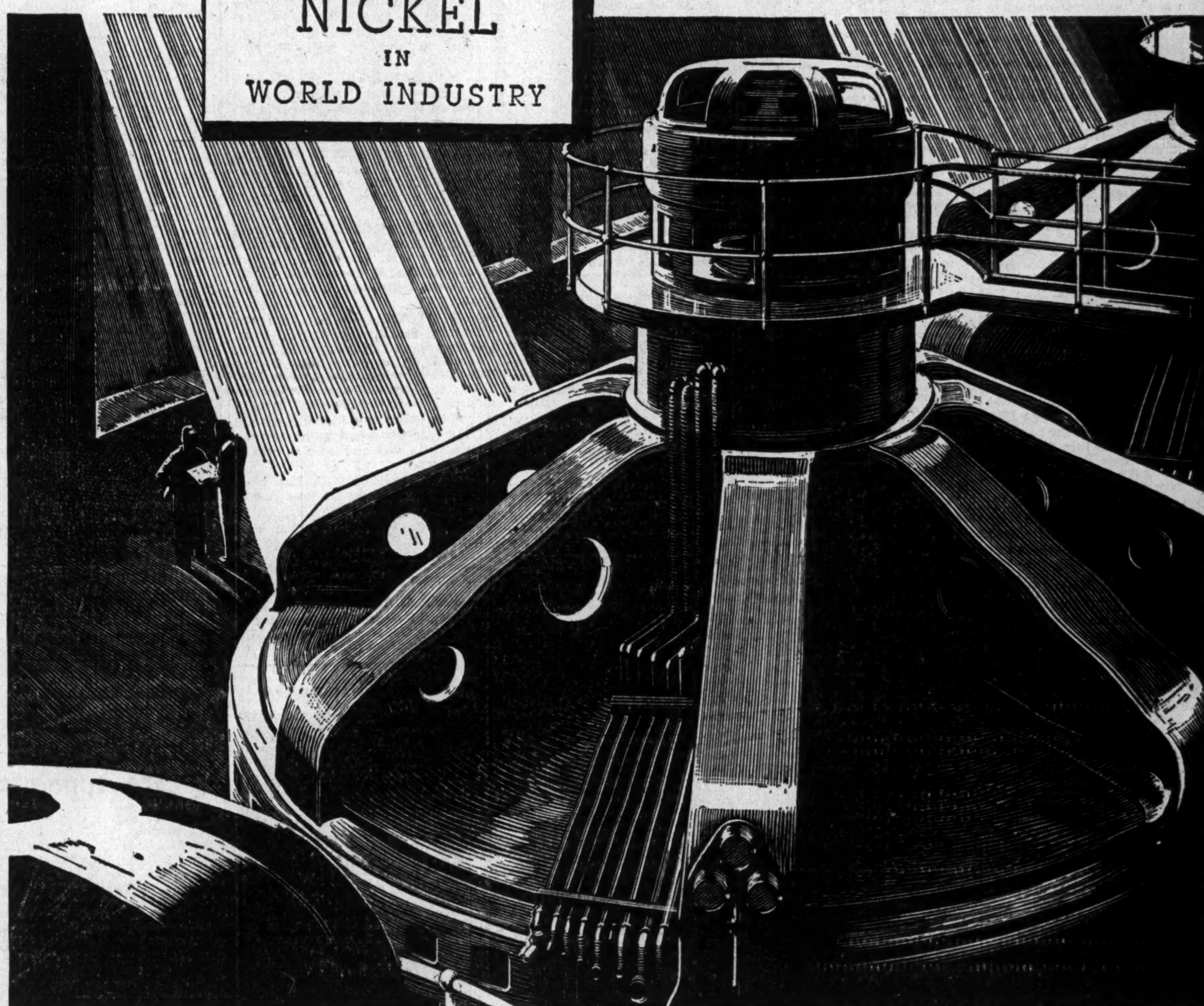
. . . CANADIAN NICKEL IN WORLD INDUSTRY
THE ELECTRICAL INDUSTRY



YOUR ELECTRIC SUPPLY IS CHEAPER — MORE DEPENDABLE
. . . BECAUSE OF NICKEL

THAT SURGING CATARACT which but yesterday dashed madly down its rocky bed in the depths of the forest, today lights our homes and streets and turns our factory wheels.

This is the age of "white power", and in the generation, transmission and practical application of electric energy, Nickel plays an important part.

In the huge intake gates through which the water is admitted to the penstocks in the modern hydro-electric development, Monel Metal is used for the valve seats and facings, to resist corrosion, erosion and wear. Over fifty-five tons of Monel Metal have been used for this purpose in one single development.

For years the size of generators was limited due to the lack of a material strong enough to withstand the tremendous internal stresses. The giant generators of today have been made possible because of the unusual strength of Nickel Steel when used for highly-stressed parts.

In the transmission of electric power, Monel Metal is used for insulator units, switching equipment, and in outdoor substation high tension equipment.

Because of Nickel, electrical machinery today is smaller in proportion to capacity; electrical appliances such as ranges, toasters and percolators are more efficient; your electric supply is cheaper and more dependable.

In the development of new Nickel alloys to meet the ever greater demands which modern industry makes upon materials, our sales and research organizations have worked hand in hand with all branches of industry. New uses for Nickel mean increased markets for Canadian Nickel the world over. The increasing sale of Canadian Nickel brings new money to Canada. It helps to quicken our whole industrial life.

"Nickel—Key to World Progress", an interesting booklet dealing with the uses of Nickel in daily life may be had without charge by writing to the Company at 25 King Street West, Toronto.

NICKEL THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED MONEL METAL

Who Owns Our Life Companies? 1.

Sun of Canada

Third of Shares Held in United States —Many Women

One out of every four shares of Sun Life of Canada stock is held by a woman.

Three out of every ten shares are held in the United States.

Ten years ago the company had but 270 shareholders, today it has nearly 900.

These are interesting facts uncovered this week by The Financial Post in an analysis of the shareholdings of Canada's biggest life insurance company.

In all there are 20,000 shares of this stock outstanding all of which are fully paid up. By a legal decision of a few years ago the company confirmed its capital stock as $4,000,000 (40,000 shares) instead of $2,000,000. Of this additional sum, $1,000,000 (10,000 shares) has been authorized but not issued.

Of the total stock at present outstanding, no less than 5,949 shares of stock are recorded as held in the United States, mostly in and around New York.

An additional 271 shares are held in other parts of the world, distributed as follows: 154 shares in England; 52 shares in India; 48 shares in France; 15 shares in the Philippine Islands and 2 shares in the Argentine. The company has 13 shareholders in France—three more than there are in England. Its Indian shareholders number nine.

Thirty Per Cent in U.S.

The total number of United States shareholdings (5,949) is more than six times the number reported back in 1925 when a similar compilation was made. At that time only 969 shares were held in the United States. Since there are 20,000 shares of stock outstanding almost 30 per cent are therefore held in the United States, but during the last 5 years there has been no change in the percentage of shareholders in the United States.

Women Shareholders

An equally interesting analysis is the number of women shareholders. The Post analysis shows 5,053 shares held by women at the beginning of last year representing approximately one share out of every four. Of this total, 829 shares were held by women in the United States.

It is interesting to note, however, that the proportion of shares held by women has declined materially in the interim, there having been no less than 7,151 shares or 35.7 per cent so held in 1925. At that time these shares were held by exactly 100 persons, the average shareholding being therefore about 71 shares.

Although the number of shares held by women shows a decrease from 1925, the number of women shareholders has more than doubled, it being at the present time 218 against 100 in 1925. This follows the trend in the general increase in the number of shareholders of the company since 1925.

Family Holdings Change

Many very important changes have taken place in the composition of Sun Life shareholders since 1925. At the end of that year the company had something less than 270 shareholders. The new list shows over 900. Many large family "blocks" of stock have disappeared.

Most notable is the Macaulay family holdings which in 1925 aggregated no less than 3,916 shares. Total Macaulay family holdings in the list available to The Post now aggregate only 88 shares though it is believed the stock has not actually been sold but transferred to other parties. Some shares, it was reported in these columns some years ago, have been given to public institutions.

The Macaulay block was the largest single group of shares in 1925 and was comprised chiefly of some 2,126 shares under the title "Macaulay Securities Ltd." T. B. Macaulay himself held in his own name 50 shares at that time. Today he has 25. It is understood, however, that neither T. B. Macaulay personally nor his Securities Company have sold this stock, the shares having been transferred for personal reasons or as gifts.

Another important family group was the Cushing family of Montreal which ten years ago held an aggregate of 1,330 shares. Today this holding stands at 855 shares. The Tory family have long had an important stake in the company. Ten years ago the Hon. James C. Tory, of Halifax, held 632 shares while John A Tory, Toronto, had 124 making a total of 756. Today the Tory holdings are shown at 1,042 shares of which 962 are under the name of Hon. James C. The name of John A. Tory no longer appears as a shareholder although his son, James M. is shown with 10 shares. This is explained by Mr. Tory, who informs us that most of the shares formerly listed in his name have been transferred to the holding company, "Guysborough Investments Ltd."

Another large individual block includes the shares held by Mrs. Stella Allen, of Huntingdon, Que. In 1935 she was shown with 880 while today the block is 765. The largest individual holding in the new list is the name of Hurley & Co., of New York, credited with 1,083 shares. Another large American block is in the name of Lee & Co. also in New York, credited with 604 shares.

Holdings containing 10 or more shares are as follows:

100 SHARES OR MORE

Name: Address	No. of Shares
Mrs. Stella McK. Allen, Huntingdon, Que.	765
Amalgamated Bank of New York, N.Y., New York City	101
Atwell & Co., New York City	180
Bankmont & Co.,* Montreal	646
H. G. Bate, Ottawa	256
Chas. J. Booth, Ottawa	142
Compania Barranquilla, Niagara Falls, N.Y.	129
Mrs. E. E. Cope, Westmount	105
Crown Trust Co. (in trust) Montreal	189
Arthur G. Cushing, Montreal	100
Rev. Chas. Cushing, Westmount	132
Dougall Cushing, Montreal	101
Eric A. Cushing, Westmount	100
Mrs. L. M. Cushing, (usufruct), Montreal	386
Donaldson & Greene, Montreal	699
Mrs. O. B. Gilroy, Winnipeg	148
Gund Co., The, Wilmington, Del.	283
Guysborough Investments Limited, Toronto	114
Miss Clara M. Hendershot, Buffalo, N.Y.	200
Mrs. M. Hill, Peterborough	100
Sir Herbert S. Holt, Montreal	144
Hurley & Co., New York	1,083
Lee & Co., New York	604
Mrs. B. T. Lunan, Huntingdon, P.Q.	228
J. W. McConnell, Montreal	300
Mrs. Florence McMurtry, Montreal	100
Montreal Trust Co.,‡ Montreal	278
Newburger, Loeb & Co., New York	100
Provincial Bank of Canada (in trust), Montreal	139
W. R. Thornton and O. B. Riddell, (in trust), Montreal	191
Mrs. Alice E. Ross, Quebec	371
Frank W. Ross, Quebec	371
Roycan & Co.,† Montreal	677
Wm. A. Russell (& Bro.), Boston, Mass.	116
Mrs. Mary A. Saunders, Westmount	302
Mrs. G. F. M. Sutton, Westmount	176
Wm. Tasker (estate), Mt. Forest, Ont.	100
Hon. Jas. C. Tory, Halifax, N.S.	982
R. M. Waddell (estate), Toronto	106
Hon. Lorne C. Webster, Montreal	110
A. Wilkes (estate), Brantford	200
H. B. & Noble C. Wilson (in trust), Montreal	187
W. J. Withall (estate), Montreal	300
Wood, Struthers & Co., New York	129

*Divided among 8 separate accounts.

‡Divided among 7 different accounts.

†Held in 4 separate accounts, one of which contains 630 shares.

50 TO 100 SHARES

Name: Address	No. of Shares
Abbott, A. H., & W. J. (executors) Toronto	74
Anderson, A. D., R. D., & C. D. (executors), Montreal	92
Anderson, Miss E. M., Westmount	55
Campbell, Miss F. M., Toronto	61
Cliffside Securities Ltd., Winnipeg	60
Cross Estate, Selkirk, K.C., Montreal	65
Doherty, C. B., Ottawa	84
Eastern Trust Co., Halifax	75
Eastern Trust Co. (trustee Douglas Trust No. 1), Halifax	60
Eddy, E. J., & Bolles, C. C., Hartford	57
Ewing, S. W., Montreal	52
Fortye, Mrs. D. H., New Haven	80
Georgian Investments Ltd., Ottawa	50
Gracechurch Co., New York	70
Hale, Mrs. E. M., Montreal	50
Hills, Mrs. J. H., Peterborough	80
Ince & Co., New York	70
Laing, Mrs. M. McF., Montreal	62
Lundblad, Mrs. L. E., Calif.	60
May, G. H., Ottawa	50
Miller & Co. Inc., New York	60
Montreal City & District Savings Bank, Montreal	71
McFarlane, C. H., Montreal	62
National Trust Co., Montreal	65
Pastene & Co., Montreal	65
Pettit, Mrs. I. M., Hereford, Eng.	80
Piddington, Miss I., Montreal	70
Rieber, T., New York	75
Royal Trust Co. (executors) Montreal	92
Royal Trust Co. (executors) Montreal	82
Sigler & Co., New York	50
Stewart, Mrs. J. McF., Montreal	62
Tory, Mrs. A. G., Ottawa	50
Uncapher, Mrs. M. H., Seattle, Wash.	50
Walo and Co., New York	60

25 TO 50 SHARES

Name: Address	No. of Shares
Adair, Robt., Montreal	35
Allen, Mrs. M. G. (trustees), Montreal	38
Arnold, Mrs. Louise L., New York	25
Bailey, Mrs. E. V. G., Quebec	28
Beatty, E. W. (Sir), Montreal	25
Boyd, R. M., Guy, G. V. (in trust), Halifax	34
Br. Mtge. & Trust Corp., Stratford	25
Brown, Jas. W., Montreal	35
Butler, L. K., Detroit	25
Cameron, J. H., Orange, N.J.	30
Cassels, Mrs. M., Toronto	25
Chamberlain, W. F., Rochester	46
Citizens National Trust & Savings Bank of Los Angeles, California	25
Clark & Co., Brooklyn	44
Clark, Childs & Keech, New York	36
Coulson, F. L., Toronto	36
Cushing, Miss E. R., Montreal	33
De Lisle, Mrs. Henrietta O'C (executrix), Montreal	34
Dickson, Wallace, Westmount	30
Dougall, J. R., Montreal	25
Eddy, E. J., & Elliott, Robt. J., California	25
Ewing Eseate, Montreal	27
Fairbairn, John M. R., Montreal	42
Fay, F. B., New York	26
Gage, Mrs. C. D., Toronto	40
Gale, A. J. V., Hull	41
Gale, E. G. (Dr.), Quebec	42
Gale, G. G., Ottawa	41
Gemmell, W. F. (Mrs.), Toronto	40
Ginsberg, Harry, New York	25
Guardenier, E. V. H., New Haven	37
Hale, H. W. K., Montreal	46
Hamilton, W. F. (Dr.), Montreal	30
Hancy, Edward J., New York	25
Hart, Smith & Co., New York	34
Iselin, A. & Co., New York	28
Leney, Wm. A., Montreal	32
Macaulay, Mrs. Agnes, I., Guelph	35
Macaulay, T. B., Montreal	25
Malloch, F. Geo., Hamilton	40
Pennsylvania Co. (for insurances on lives & granting annuities), Philadelphia	30
Peters, Theo., New York	30
Redpath, Mrs. A. G. (trustees), Montreal	38
Reid, John R. (estate), Ottawa	30
Renfrew, Mrs. G. C. P., Kelowna	29
Revell, W. C., New York	25
Riordon, Carl, Montreal	25
Ryan, Mrs. C., Toronto	38
Spalding, C. C., Los Angeles	25
Springfield Five Cents Savings Bank, Springfield, Mass.	28
Strickland, Mrs. A. A., Peterborough	40
Sumner, Mrs. J. E. Dickson, Westmount	26
Taschereau, Hon. L. A., Quebec	25
Toronto General Trusts (executors), Toronto	30
Voss, Mrs. M. A., Lakeport, Calif.	47
Waldie, R. S., Toronto	28
Weber & Co., New York	25
Wells, Mrs. V. M., Montreal	29
Wilkes, Mrs. E. F., Brantford	30
Wood, Arthur B., Montreal	28
Workman, Alexander, Ottawa	40
Workman, Mrs. L. (executor), Ottawa	30
Workman, T. O., Ottawa	40

10 TO 25 SHARES

Name and Address	No. of Shs.
Aldrich Bros. Co., Providence, R.I.	10
Allen, Byron W., Huntingdon, P.Q.	10
American Coal Co., New York	20
Ames, A. E. & Co., Montreal	23
Anderson, Miss Charlotte D., Montreal	24
Beaubien, L. G. & Co., Montreal	13
Black, Denis J., Montreal	10
Blacader, Kenneth G., Montreal	10
Bonbright, Carl W., Flint, Mich.	10
Bourne, R. M., Cleveland	17
Brooks, H. & Horne, A.D., (in trust), Toronto	10
Brown, Mrs. Anne S. K., Providence	10
Butler, M. K., Brooklyn	20
Camp & Co., Chicago	10
Canadian Import Co., Montreal	10
Cardon, Rene, Douai, France	11
Cardy, R. H. (in trust), Toronto	10
Carmichael, J. W. & Co., New Glasgow, N.S.	10
Castonguay, F. J., Hartford	10
Chubbuck, H. E. Estate, Peoria, Ill.	10
Clark, Franklin H., Boston, Mass.	10
Colville, Mrs. H. K., Montreal	10
Condict, P. K., New York	10
Copper, J. J., Montreal	10
Cooper, R. N. Dr., Bombay, India	10
Crouch & Co., Montreal	10
Drake, H. L., Chicago	10
Durnford, Mrs. M. O., Montreal	14
Dwight, W. E., New York	10
Echegoyen, Luis, Manila, P.I.	15
Edbro Realty Co. Inc., New York	11
Elliott, L. B., Los Angeles	15
England, C. A. & Co., New York	15
Erwin, Mrs. H. B., Washington	10
Evanston Corp., Jersey City	12
Filgate, Samuel, Montreal	14
First National Bank of Boston, Boston	10
Fisher, S. M., London	10
Ford, Miss M. E. (est.), St. Paul, Minn.	10
Frost, Mrs. D. M. etc., Holbeach, Eng.	20
Fry, Mrs. L. S., Montreal	10
Garneau, Mrs. M. B. (est.), Montreal	11
Gault, L. H. (est.), Montreal	14
Gay, Guy J., Denver, Col.	10
Gemmell, R. M. (in trust), Toronto	16
Gibson, Mrs. M. L., Halifax	14
Gist, Gilman A., San Diego	12
Goold, John C., London, Eng.	19
Gault, M. B., Denver, Col.	10
Goolabdas, Bhaidas, Bombay, India	22
Gore Company, Montreal	22
Grantley Corp., Jersey City	12
Gudewill, Geo. E., Vancouver	16
Gurd, Dr. C. C., Westmount	10
Hatch, Mrs. Margaret M., New York	10
Hettinger, Jr., A. J., Detroit	23
Hingston, Donald A., M.D. (in trust), Montreal	18
Holls, Emil, New York	10
Jackson, J. D., New Haven, Conn.	12
Johnson, G. B., Osterville	10
Joy, Mr. E. M., Centralia	10
Judd, Mrs. E. G., New Britain, Conn.	20
Katzenstein, Mrs. Julia, New York	10
Kennedy, Mrs. S. M., Montreal	10
Kingman, Abner, Montreal	10
Labelle, A. A., Montreal	16
Lahey, Dr. F. H., Boston	10
Lauer, Wm. G., New York	..
Lewis, Carlton H., New York	10
Lewis, G. A., Danbury, Conn.	10
Lobingier, C. S., Washington, D.C.	10
Macaulay, N. B., Montreal	11
Macaulay, Thos. J. R., London, Eng.	17
MacHaffie, L. G. & Devenny, A.D., (in trust), Ottawa	10
MacLean, H. J., Boston	10
MacComber, F. B., Boston	15
Molson, Reg. O., Montreal	15
N. C. B. Trust Ltd., London, Eng.	10
Nivling, S. T., Rochester	10
Northampton National Bank & Trust Co., Northampton, Mass.	10
Olson, C. F., Higganum, Conn.	10
Paget, Major T. G. F., Rugby, Eng.	10
Parker, Mrs. I. L., Montreal	20
Parliament St. Nominees Ltd., London, Eng.	16
Peoples Savings & Trust Co. of Pittsburgh, Pittsburgh, Pa.	10
Petts, S. F., Boston, Mass.	10
Phillips, Duncan and Clark, Dwight, Washington	15
Piddington, A. (est.), Montreal	16
Piddington, Miss E. E., Quebec	15
Piddington, Miss F. M., Quebec	19
Proctor, Proctor & Boston Safe Deposit & Trust Co. as trustees, Boston	24
Quinn, Elwood T., Jenkinstown, Pa.	10
Raikes, W. R. & McCabe, H. P., Victoria	12
Regan, J. C., Windsor Locks, Conn.	10
Reinhard, S., Brooklyn	10
Rodgers, W. S. S., New York City	15
Ross, Miss A. I., Kingston	19
Ross, Miss M. H., Kingston	19
Ross, P. D., J. G., and Miss C. M., executors, Montreal	20
Rowe & Co., New York	10
Ryan, John H., Olean, N.Y.	10
Saunderson, Mrs. K. St. C., Halifax	12
Scanlan, J. F., New York	20
Sigler, Paul E., Los Angeles, Calif.	10
Standish, Harold S., Los Angeles, Calif.	22
Stanford Corp., Jersey City	12
Sullivan, F. L., New York	10
Synott, Martin J., Montclair	10
Tjarda Van Starkenborgh, A. W. L. and C. M., Baltimore	10
Tory, J. M., Montreal	10
Turner, Stanley F., Detroit	15
University of Rochester, Rochester	15
Union Generale pour la Participation aux Grandes Valeurs d'Assurances, Paris	13
Waldie, J. K., Toronto	16
Waldie, Mrs. L., Toronto	23
Wales, Mrs. C. C., in trust, Westmount	10
Wallace, J. F. H., Montreal	10
Walter, M. M. and Spry, W. J., Montreal	10
Warden, Alex Ross, W. D., and Fergusson, Geo. T., executors, Toronto	10
Wisner & Co., H. L., New York	12
Wright, Miss M. S., Montreal	14
Young, J. A. (in trust), Ottawa	20
Zacher, Mrs. Marie McLean, West Hartford, Conn.	10

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"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE LIABILITY WINDSTORM SPRINKLER LEAKAGE DOCTORS' AND DENTISTS' LIABILITY AUTOMOBILE PLATE GLASS
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WRITING FIRE AND AUTOMOBILE INSURANCE AT COST ASSETS $5,183,603.19
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30% ON RENEWALS
BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax

Who Owns Our Life Insurance Companies?

Who owns our life insurance companies?

From one point of view the answer is—policyholders.

That is to say, out of every dollar of the two billions of assets held by companies for Canadians at least 95 cents is held wholly and uncontingently for policyholders. These policyholders are represented by their own directors and the lion share of profits is returned to them by way of policy dividends. Several Canadian companies, notably, Mutual Life of Canada, North American Life, Royal Guardians, Mutual Relief Life, have no capital stock, the entire assets being mutually owned by policyholders.

Most Have Shareholders

But most Canadian companies were originally financed and underwritten by a group of shareholders who were willing to subscribe small and large sums to get the enterprise started. Most of these shareholders put up a "premium" in addition to their capital subscription. That is to say they donated money to the company in its early stages of organization for which they got no credit in the company's balance sheet but which was thrown into the general funds as a "sweetener" to give the company working capital at a time when growth, and the building up of a decent backlog of business, made heavy demands on the treasury.

Hope to Share Later

Of course, this "sweetener" was not entirely altruistic. Experience showed that if the company was successful this sum would be returned to the shareholders by payments on capital stock, in the meantime, however, the shareholder was content to pay his "premium" and an initial deposit on his capital stock (most shares in Canada are $100 denomination on which a definite amount (say 20 per cent) is initially put up by shareholders in the form of paid up capital).

The "premium" is over and above this capital payment and may represent another 10, 15 or 25 per cent on the capital value of the shares.

Ledger Items

Thus the ledger items of a new company might reasonably look like this, from the shareholders point of view:

Capital stock (authorized and subscribed)	$1,000,000
Amount actually paid in on capital account (that is, paid-up capital)—20%, or	200,000
Amount paid into general company funds as premium"—20%, or	200,000

Carries Liability

In this case each holder of one share would have a $100 certificate on which $20 had been paid up and credited to his account on the books of the company. He would also have paid into the company's funds an additional $20 for which he would receive no credit and which would merely go to swell the company's treasury without any corresponding debit on the liability side of the ledger.

Incidentally any shareholders who had subscribed to a $100 share would be liable to the full amount (that is $100 minus $20) in the event of the company needing more capital and making a call on its shareholders. If, on the other hand, the company prospered he would hope eventually to have the full authorized and subscribed capital, paid up by the company out of profits and credited to his account.

This would be his "reward" (over and above any regular annual dividends) for having put in his original premium and also for having assumed liability for a "call" on capital account.

All Companies Covered

In this and subsequent weeks The Financial Post will tell some of the interesting, unusual facts about the way in which these shares are distributed throughout the world. Will tell who owns the largest blocks; where they live and so forth. Will tell how many of the shareholders are women and will list the names of leading shareholders. The information is obtained from official sources and is at the latest date for which the facts are available, namely the beginning of 1934.

The first analysis covers Sun Life of Canada with 20,000 outstanding shares all of which are fully paid up. In addition the company, by a legal decision of a few years ago confirmed its right to issue an additional 20,000 shares of which 10,000 have been authorized but not issued. Shareholders have paid $120,000 in premium into the company.

Insurance Inklings

J. G. LEDROIT has been appointed manager of the Montreal-Ste. Catherine branch of the Confederation Life Association. He succeeded N. R. Beaudet, recently appointed a member of the Employment and Social Insurance Commission of Canada.

NORMAN FREEMAN has been appointed manager for the industrial branch of the London Life Insurance Co. at Ottawa. He succeeds C. C. STEWART acting manager at this branch since the spring who returns to head office. In recent months Mr. Freeman has been manager at one of the company's branches in Hamilton.

MAURICE J. CHILTON has been appointed district representative at Sarnia for the Continental Life Insurance Co.

MALCOLM I. LINDSAY has been appointed supervisor for the Great West Life at Minneapolis succeeding W. C. ADDY who has resigned to devote his time to personal production.

TORONTO AGENCY of the Great West Life have moved their central Ontario and Toronto 1, agency offices from 36 Toronto St. to the Canada Permanent Building, Bay St.

J. CARVER JR. has been appointed Saskatoon manager for the Great West Life to succeed W. B. CRAWLEY who has retired after 26 years service with the company. Mr. Crawley has directed the company's Saskatoon branch throughout its entire existence first as district manager when he opened the branch in 1913 and later as branch manager.

D. C. MacDONALD has been appointed manager of the Toronto ordinary agency of the Prudential Insurance Co. of America, succeeding R. J. WILLIAMS, who has joined the Excelsior Life as manager of a new agency to be known as Robert J. Williams & Associates.

JOHN O. EHRHARDT has been appointed district representative at Amherst, N.S., for the Maritime Life. A native of Sackville, N.B., Mr. Ehrhardt was formerly with the Metropolitan Life.

F. H. GOUCHER, branch manager at Halifax of the Manufacturers' Life Insurance Co. was elected president of the Halifax Life Underwriters Association at the annual meeting of that body.

W. NEEDHAM-CLARK has been appointed district manager at Ceylon for the Manufacturers Life Insurance Co.

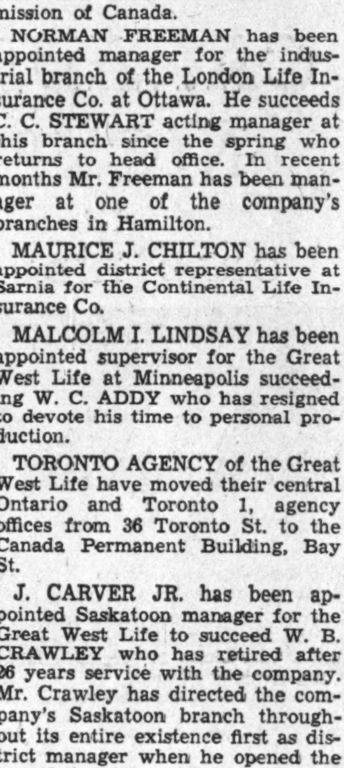
DR. HUGH W. CRAWFORD who graduated in medicine from U. of T. in 1928 after earlier education in Medicine Hat schools and University of Alberta has been appointed medical director of the Columbian National Life of Boston. He was formerly assistant medical director of the Connecticut General Life of Hartford.

COLIN C. O'NEIL, of Sarnia, recently won the diamond award of the Insurance Research and Review Service of Indianapolis and will participate in a further contest by that organization. Mr. O'Neil is said to be the first Canadian to qualify in this respect.

C. G. FRAZIER has been appointed district manager for the Manufacturers Life Assurance Co. at Glasgow.

FRED S. STAINES has been appointed superintendent of the fire department of The Pilot Insurance Co.

Montreal Manager



HUGH B. GILCHRIST

Appointed Montreal manager of the Empire Life Insurance Co..

Substantial Gains By North American

An actual increase of 37 per cent in "settled" or paid business is reported for the first nine months of the year by North American Life Assurance Co. This record, it is reported, has eclipsed any previous year's production for the same period.

Increases in insurance in force, for the first nine months, are reported at just over $8 millions, also substantially ahead of last year's record.

The company states its objective for increased business in force during 1935 is $10,500,000, which will give the company $200 millions of business in force by the end of December.

Four Managers Dominion Life Are Appointed

Important agency changes are announced this week by Dominion Life Assurance Co. in its monthly agency bulletin.

Dave Ross, branch manager for the company at Winnipeg has retired as at October 1, and will take up residence in British Columbia. He is succeeded by Douglas Connell who comes to Winnipeg from Calgary. William Glen, formerly of Winnipeg has been promoted to branch manager at Calgary, while Robert Hill becomes branch manager at Edmonton.

The company also announces that Frank Leonard, branch manager at Windsor since 1931 has resigned in order to give his entire time to personal production. Mr. Leonard has approximately $2,000,000 of insurance in force among his policyholders.

Tabulation Shows Change New and Old Mutual Rates

New and higher premium rates will be put into effect as at January 1, 1936, by Mutual Life Assurance Co. of Canada. The increases range from 1 to 10 per cent or from 50 cents to $2.80 per thousand of insurance.

Details of the change are shown in a story on page one, while the following shows present premiums as compared with the new schedule for typical plans of insurance.

PARTICIPATING

Life Low Rate

Age	1936 Rate	Present Rate
25	$16.75	$15.73
35	22.60	21.51
45	32.84	31.79
55	51.05	49.94

20 Payment Life

Age	1936 Rate	Present Rate
25	$27.12	$24.91
35	33.45	31.38
45	43.31	41.67
55	59.56	58.59

Endowment in 20 Years

Age	1936 Rate	Present Rate
25	$46.81	$44.01
35	48.21	45.62
45	52.55	50.47
55	63.72	62.56

Endowment in 30 Years

Age	1936 Rate	Present Rate
25	$30.02	$27.83
35	32.34	30.44
45	38.86	37.61
55	54.52	54.01

NON-PARTICIPATING

Ordinary Life

Age	1936 Rate	Present Rate
25	$14.60	$14.16
35	20.25	18.96
45	29.63	27.93
55	47.16	44.43

20 Payment Life

Age	1936 Rate	Present Rate
25	$22.69	$21.49
35	28.70	26.85
45	37.56	35.75
55	52.77	50.67

Endowment in 20 Years

Age	1936 Rate	Present Rate
25	$41.05	$39.69
35	42.52	40.78
45	46.29	44.55
55	56.68	54.60

Endowment in 30 Years

Age	1936 Rate	Present Rate
25	$25.41	$24.40
35	27.66	26.37
45	33.33	32.19
55	....	....

Standard Life Manager

WILFRID POCKLINGTON

Appointed manager for Toronto and Central and Northern Ontario for the Standard Life Assurance Co. Mr. Pocklington has been Ottawa branch manager for the company, where he is succeeded by JOSEPH H. BRUCK, of Pembroke.

More Than Half Ontario's Fires In City Homes

Of the total of 2,817 fires reported in Ontario in the months of July, August and September, more than half were in city dwellings. Yet the loss from these was less than one tenth the total of over $2 millions. Smokers were the cause of the greatest number of fires during the period, with lightning, electricity and faulty use of matches also contributing a large number.

It is notable that although this period included the vacation months, there were no fires in summer hotels and boarding houses. Coal yards, wood yards and buildings under construction were also fireless. On the other hand farm barns were destroyed or damaged to the extent of almost $500,000.

About one quarter of the fires occurred in Toronto, and the number was also large in York and Simcoe counties. Haldimand and Dufferin counties suffered very light loss.

Insurance Inklings

JOHN HOLROYDE, manager for Canada of the Commercial Union Assurance Co., has been elected a director of the Underwriters' Laboratories of Canada to fill the vacancy caused by the resignation of W. E. FINDLAY, Canadian manager of the Springfield Fire & Marine Insurance Co.

H. CUTLER, formerly of the Montreal office of the Ocean Accident and Guarantee, has been appointed as inspector at the Vancouver office.

F. H. W. SEVERIN, formerly claims adjuster of the Dominion of Canada General in Manitoba and Saskatchewan, has joined the firm of Brewster, Cross, McLaws and Sterling at Winnipeg.

L. J. SAVARD, formerly with the American Insurance Co. has been appointed manager of the French department of Johnston, Jennings, Inc., Montreal.

New Licenses

The federal department of insurance has licensed the following companies to write insurance on properties already insured for fire, in the classes of insurance named. These are in addition to those for which they are already licensed.

The Liverpool-Manitoba Assurance Co.—Falling aircraft and earthquake insurance.

The Globe Indemnity Co. of Canada and **The Hudson Bay Insurance Co.** — Falling airplane, earthquake and riot and civil commotion insurance.

The Central Insurance Co. Ltd. has been licensed to write falling aircraft insurance and earthquake insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the company, and explosion insurance, in addition to the classes for which it is already registered.

The Liverpool and London and Globe Insurance Co. Ltd. has been authorized to write falling aircraft insurance limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

The London Assurance has been licensed to write accident insurance, burglary insurance, plate glass insurance and sickness insurance in addition to the classes for which it is already registered.

The Royal Insurance Co. Ltd. has been licensed to write falling aircraft insurance limited to the insurance of the same property as is insured under a policy of fire insurance of the company, in addition to the classes for which it is already registered.

Hon. A. Leduc President Of Quebec Mutual Co.

Hon. A. Leduc, Montreal, has been elected president of La Compagnie d'Assurance Mutuelle du Commerce, of St. Hyacinthe, succeeding the late J. E. Phaneuf. Irene Auclair has been appointed vice-president.

The following are now on the board of directors: Hon. E. L. Patenaude; Hon. Jacob Nicol; Rene Morin; Lucien Saint Germain; J. E. Phaneuf, K.C.; Oliva Demers; T. A. Saint Germain.

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The greatest cause of poverty is not inability to earn, but neglect to save.
One of the first merits of life assurance is that it instils the regular and systematic practice of thrift into those who lack the will power to save.
It is a constant brake on families that spend too freely.
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THE SUN LIFE OF CANADA HAS AN APPROPRIATE PLAN TO COVER EVERY NEED.
See a Sun Life Representative
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE — MONTREAL

Fire and Casualty News

Ministers Firm To Sell by Mail Throughout Ont.

Ministers Life and Casualty Union of Minneapolis reports to The Financial Post that it has secured a license in Ontario preparatory to commencing operations in that province.

A. W. Hobart has been appointed chief agent for Canada and also agents with offices at 30 Bloor St. West, Toronto. As reported in The Financial Post two months ago, this company completed registration at that time with the federal insurance department at Ottawa preparatory to operating directly in the Canadian field.

Mel W. Hobart, secretary of the company, states that there is no present intention of appointing soliciting agents, but that the company's regular practice of writing insurance by mail will be followed by Canada.

Financial Statement

Ministers Life and Casualty Union writes life, accident, and sick benefit insurance "at cost for clergymen only." A statement submitted to The Financial Post shows total admitted assets of $1,293,000 of which $1,113,000 is held in bonds and other securities, the remainder in policy loans, bank balances, etc. On the liabilities side, legal and special reserves are shown at $863,000 with a surplus of $304,000.

Total receipts in 1934 amounted to $1,872,000 of which $698,000 were received as premiums, $600,000 in membership fees. Of total disbursements amounting to $563,000, 74 death claims took $80,000, while sickness and accident claims cost $287,000. These amounted to 3,864 in numbers. Dividends and other payments to members absorbed $68,000 while officers and directors received $17,450.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Halifax Fire

Do you consider Halifax Fire Insurance Company's common stock a good investment for a hold of some years?

The Halifax Fire Insurance Company, established in 1809, is the oldest of its kind in Canada. A Dominion license was taken out in February, 1919. Measured by total assets, which at the end of 1934 were $5,384,845, it is the second largest Canadian company. Control is understood to be in the hands of the Home Fire Group, one of the most important company groups on the continent.

There was a net gain in surplus from 1934 business of $93,895 after deduction of $180,000 in dividends. This compares with a gain of $369,565 in 1933 after payment of the same amount in dividends, and a loss of $273,492 in 1932, after payment of $210,000 in dividends. The percentage of losses incurred to premiums written was 31 in 1934 as against 45 in 1933 and 71 in 1932.

As at December 31, 1934, the company held more than $2.5 millions in bonds and more than $2.5 millions in stocks. These valuations are in excess of market quotations, but the difference is said to be amply provided for by an investment reserve fund. Paid up capital stock at the end of 1934 amounted to $2 millions. Current quotations for the stock range from 18½ to 19¾.

Would Take Auto Risks From Finance Companies

Editor, The Financial Post,—

Generally speaking, finance arrangements for deferred payments on car purchases are effected through automobile dealers and the purchaser is not given a detailed statement showing separately:

(a) the net deferred balance on the purchase,

(b) The interest charges,

(c) The insurance premium.

In most cases he is merely told how much per month to pay. If the same person were borrowing money from the bank or from a mortgagee, the transaction would not be confused; the borrower would know exactly the amount of principal and the rate of interest as well as any other charges, such as valuation, etc. And he would be given the privilege of arranging his own insurance with a company which was acceptable to the bank or the mortgagee, the insurance policy including any special agreements for the primary protection of the lending institution.

Under present circumstances, in some cases, the purchasers of cars are told by the automobile salesman that their cars are insured. The average layman interprets the word insured literally and as a result from time to time we find these persons in a serious loss but with either modified insurance or else no insurance at all except against certain perils to which a motor car is ordinarily exposed.

The time, therefore, seems long past when finance companies ought to be in the business of lending money, requiring proper security, without attempting to control the insurance of car purchasers.

J. B. SAMPSON.

Kingston.

Moth Insurance Carried On Furniture Upholstery

The latest wrinkle in mohair furniture upholstery is moth insurance. Collins and Aikman of Canada, Ltd. upholstery dealers, have announced an unconditional five year guarantee dated from the time furniture is sold at retail. The insurance was written by the Automobile Insurance Co., an affiliate of the Aetna Life Insurance Co.

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Bank Chat

On The Rebound

A FEATURE of the stock market this past week was the sharp recovery in bank stocks. Leakage of information regarding the dividend announcements of the Royal and Toronto at the end of the week probably supplied the impetus. The movement marked a definite about face on the part of market operators. Rumors were current recently that the difficulty of placing an increasing store of funds was having its effect on earnings. Other factors adversely affecting bank stocks in recent weeks have been the generally disturbed international situation and the wild charges made during the election campaign.

Informed opinion has believed that earnings would not be affected to the point where dividends would be cut. Earnings of the banks are probably no worse than they have been for some months. In fact, bank executives are considerably more optimistic regarding the present outlook, particularly with regard to the loan situation.

* * *

A False Alarm

THE microphone protective system in the vaults of the new head office building of the Imperial Bank at Toronto got a severe test a few days ago. Something went wrong with one of the lighting fixtures. A workman had just commenced drilling on the outside wall of the vault when an armed squad rushed into the premises.

So sensitive are the ears of the microphones which have been installed, that the vibration caused by the drilling outside had registered an alarm at the office of the protective company.

The insurance company handling the bank's business evidently considers that the system lowers burglary risk by one quarter; the premium has been reduced by that amount because of its installation.

* * *

Simple Arithmetic

ALTHOUGH our best economic brains have been baffled by the depression, Major McCorkindale, speaking for Mr. Stevens during the election campaign, found both cause and cure very simple to explain. In a sweeping statement made at Toronto, the Major charged that the banks have pulled $750 millions from circulation. As a result, he says, 800,000 men were put out of work, $6 billions of trade was killed and consequently $2.5 billions which should have gone into the homes of Canada have been kept away.

Evidently applying the same logic, Major McCorkindale finds the way out merely a matter of arithmetic. He is quoted as follows:

> "Here is the solution. Take just half Canada's gold production, 50 million. Multiply it by four. Two hundred million. By ten. Two billion. Turned over eight times. Sixteen billion. And Canada was ruined by the withdrawal of $750,000,000. Simple isn't it? And we have the nerve to call Aberhart crazy!"

It certainly is simple—but not in the sense that the Major meant the word. Such are the fantasies, ridiculous though they may be, that bankers must be prepared to dispel.

* * *

Staff Changes

THE following staff changes have been announced by the Royal Bank:

O. B. THORNTON to be assistant manager at Montreal branch.

A. L. LESLIE, formerly of the supervisor's department Toronto, to be acting manager at Runnymede and Bloor branch, Toronto.

M. P. JOHNSON, formerly of the supervisor's department, Winnipeg, to be accountant at the Grain Exchange branch, Winnipeg.

A. S. HAMILTON, formerly manager at Barranquilla, to be manager at Manizales, Colombia.

C. R. ROSS, formerly assistant manager at Montreal to be manager at Sault Ste. Marie.

C. ROBERTSON, formerly manager at Cartagena, to be manager at San Jose, Costa Rica.

The Canadian Bank of Commerce has announced the appointment of R. H. McDADE, formerly manager at Rio de Janeiro, to be assistant manager at London, England, in place of A. R. S. PHIPPS, who is retiring on pension.

Bankers Doubt Feasibility Of Municipal Credit Union

Will Doff Hats if Proposal is Adopted and Proves Successful, But See Many Difficulties to Overcome — Political Angle Important

Bankers have no quarrel with the idea underlying a co-operative municipal bank, such as has been proposed for Orillia.

They do not, however, hold out much hope of such an enterprise proving successful. No objection is made to lending provisions but they regard the plan as precarious to depositors.

In the first place, exceedingly able men would be required for executive and the chief management positions. Judgment on loans, which would probably be in the hands of a credit committee, would have to be particularly keen, especially when dealing with "character" advances.

It is evidently intended to loan out practically all available funds. As one banker put it "if they operate with 90 per cent of deposits on loan and only ten per cent in cash God is very good to them if they get through."

Costs are seen as another obstacle. Backers of the scheme are of the opinion that administration and overhead costs will amount to less than a third of those of the chartered banks. It is true that a large portion of the banks' costs is in the services they offer to the public. In this category could be placed such features as small deposits, branches, current and chequing accounts, clearings and so on. Some of these would be eliminated under a co-operative credit union with no branches and no chequing privileges. However, bankers doubt whether these, even when coupled with municipal provision of premises, would bring the cost of money down to three quarters of one per cent. They point out that it will be necessary to handle a very large number of small accounts.

There would be ever present under such a plan the danger of interference on the part of municipal politicians, it is stated. In this connection the Orillia Packet-Times states editorially:

> "Managed with the methods, and with the friction, that characterize the conduct of municipal affairs in Orillia, a municipal institution would have little chance of surviving for a year, if, indeed, it ever got started."

Loan and discount companies, which now cater to the class which a municipal union would serve, find it necessary to charge substantially more for loans than is proposed in the Orillia plan, one banker claimed. "Profits of these concerns are not abnormal," he went on. "Consequently I cannot see just where the credit union would find revenue adequate to carry on."

On Can. Permanent Board

—*Photo Who's Who in Canada.*

JOHN R. LAMB

Who has been appointed a director of the Canada Permanent Mortgage Corporation to fill the vacancy created by the death of George H. Smith. Mr. Lamb is vice-president of the Bank of Toronto.

Foreign Exchange Markets

Mr. Neville Chamberlain, British Chancellor of the Exchequer, stated recently that under existing conditions even a tentative step in the direction of stabilization was "unthinkable." However, he declared that the ultimate aim of the British Government was the introduction of a new gold standard. Before this can be considered, however, authorities are of the opinion that further developments in the political situations in France and Holland will have to be awaited. On the local markets, the Canadian dollar showed further weakness during the past week in terms of both sterling and the American dollar.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Oct. 8	Oct. 9	Oct. 10	Oct. 11	Oct. 12	Oct. 14
U. S. dollar, High	.5906	1.01 3/32	1.01 3/16	1.01½	1.01 1/16	1.01 11/32	1.01 3/16
Low	.5906	1.01 1/16	1.01 3/16	1.01¼	1.01 11/32	1.01 1/16	1.01½
1934, High	.5906	.....	.98⅛	.98⅛	.92¼	.97⅝	.97 31/32
Low	.5906	.....	.97⅝	.97⅞	.97 31/32	.97 1/16	.97⅞
U. K. pound	4.8665	4.96¾	4.97	4.97	4.97¼	4.98¾	4.97¾
Argentina	.4246	.2775	.2777	.2676	.2776	.2776	.2766
Australia	4.8665	3.9690	3.9692	3.9696	3.9730	.....	.....
Austria	.1407	.1916	.1914⅛	.1917½	.1919	.1919	.1920
Belgium	.1392	.1711	.1710	.1709¾	.1709	.1714	.1708
Brazil	.1963	.0807¾	.0589¼	.0593¼	.0583¼	.0584	.0588¾
Czechoslovakia	.0296	.0421	.0421	.0421½	.0420½	.0423	.0421
Denmark	.2680	.2219¾	.2221½	.2219¾	.2222½	.2226	.2223½
France	.0392	.0667½	.0667¼	.0668¼	.0668½	.0670¾	.0669
Germany	.2382	.4077¾	.4077¼	.4081½	.4083¾	.4096	.4086½
Greece	.013	.0095½	.0095½	.0095½	.0095½	.0096½	.0095½
Holland	.4020	.6843¾	.6852½	.6869¼	.6873	.6885	.6883¾
Hungary	.1749	.3009	.3007	.3011¾	.3012½	.2300	.3015
India	.3650	.3782	.3779½	.3787½	.3788½	.3781	.3792
Italy	.0526	.0824	.0824½	.0825½	.0823	.0826	.0823
Japan	.4985	.2902½	.2900¾	.2907¼	.2908	.2910	.2911
Jugoslavia	.1929	.0232½	.0232	.0232¾	.0232¾	.0234	.0232¾
New Zealand	4.8665	4.0090	4.0092	4.0095	4.0130	.....	.....
Norway	.2680	.2497	.2498¾	.2497½	.2501	.2505	.2501¾
Poland	.1122	.1916	.1914	.1917	.1918	.1918	.1917
South Africa	4.8666	4.9463	4.9465	4.9468	4.9511	.....	.....
Spain	.1929	.1384½	.1383	.1386	.1385½	.1389	.1387
Sweden	.2680	.2563	.2564½	.2563	.2566	.2570	.2567¾
Switzerland	.1930	.3298	.3297	.3304	.3303¾	.3308	.3307¾
Hong Kong	.5422	.5085¾	.5067½	.5075¼	.5071¾	.5080	.5080½

Bank of Canada Weekly Statement

The Bank of Canada statement for the week ended Oct. 9 shows a further increase of notes in circulation. This upward trend has been practically uninterrupted since May, the total outstanding now being the highest since April. Deposits of the chartered banks fell almost $5 millions during the week. Government deposits were also lower by well over $2 millions, and holdings of government securities declined by $1.7 millions.

Balance Sheet

	—Weeks Ending—	
	Oct. 9	Oct. 2
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	89,715,083	86,572,800
Dep.: Dominion	24,550,131	22,179,362
Banks	176,845,677	181,654,667
Other	333,463	804,122
Total deposits	201,729,271	204,638,152
All other liabs.	1,124,266	1,017,840
Total liabilities	297,568,620	297,228,793
Assets		
Reserve: Gold	181,681,945	181,871,739
Silver bullion	1,504,590	1,504,361
Res. in sterling	445,505	245,177
Res. in U. S.	3,717,742	2,846,570
Res. elsewhere	3,146	5,828
Total reserve	187,352,928	186,473,675
Subsidiary coin	309,865	317,231
Adv. to govt.	3,468,625	3,472,125
Investments:		
Dom. govt. short.	23,052,826	24,757,199
Other Dom. govt.	79,461,733	79,466,358
Total invest.	102,514,559	104,223,554
Premises	125,815	124,730
All other assets	3,796,828	2,617,476
Total assets	297,568,620	297,228,793
Reserve ratio*	64.28%	64.03%

Weekly Bank Clearings

	Oct. 10 1935 $	Change year ago %	Oct. 3 1935 $
Halifax	2,468,039	+31.1	2,386,770
Saint John	1,625,855	+14.7	1,899,527
Moncton	700,149	+22.6	690,233
Sherbrooke	689,612	+25.8	618,566
Quebec	4,250,642	+26.4	4,914,591
Montreal	83,067,621	—6.2	100,665,377
Ottawa	23,867,515	+520.9	20,044,114
Kingston	595,486	+19.2	688,265
Peterborough	628,758	+29.8	676,967
Toronto	102,862,399	+11.8	107,102,353
Hamilton	4,178,201	+15.9	4,867,269
Kitchener	1,094,404	+10.4	1,166,259
Brantford	828,321	+21.0	862,756
London	2,455,984	+27.7	3,322,684
Chatham	392,300	+2.5	424,130
Windsor	1,934,795	+27.3	2,126,380
Sarnia	449,525	+47.6	455,997
Sudbury	797,309	+19.0	829,895
Fort William	669,327	+0.5	646,136
Winnipeg	83,787,848	+46.0	75,617,415
Brandon	350,749	+9.6	354,860
Regina	8,206,946	+69.8	7,059,439
Moose Jaw	755,683	+49.9	724,431
Saskatoon	2,267,649	+56.8	....
Pr. Albert	420,034	+41.4	434,063
Edmonton	3,923,808	+35.2	4,198,337
Calgary	7,225,226	+52.1	7,757,932
Medicine Hat	450,558	+103.0	458,453
Lethbridge	594,872	+46.7	646,038
N. W'minster	597,838	+3.9	827,036
Vancouver	15,778,374	+19.6	18,376,186
Victoria	....	.....	1,892,026

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Two More Banks Pay at Regular Dividend Rate

The Royal Bank and the Bank of Toronto have declared their regular and final quarterly dividend for the current fiscal year. The Royal will pay two per cent on Dec. 2 to holders of record Oct. 31, and the Toronto will pay 2½ per cent on the same date to holders of record Nov. 15.

The declarations set at rest, as far as two more of the chartered banks are concerned, rumors that declining earnings had reached the stage where dividends would be affected.

Dividends were paid on Royal Bank stock at a rate of 12 per cent until Sept., 1932, and at ten per cent thereafter until the present rate of eight was set in June, 1933. The Bank of Toronto also paid an annual rate of 12 per cent up until Sept., 1932, when the current rate of ten per cent was paid.

C. O. Bell is President Winnipeg Bankers' Club

C. O. Bell of the Dominion Bank was elected president of the Bankers' Lecture Club of Winnipeg, at the recent annual meeting. E. J. Friesen of the Imperial Bank, was elected vice-president and Hubert S. Chalmers, of the Bank of Toronto, secretary, for his fourth term. All city banks were represented at the meeting, which was informed that an interesting programme is in view for the coming winter.

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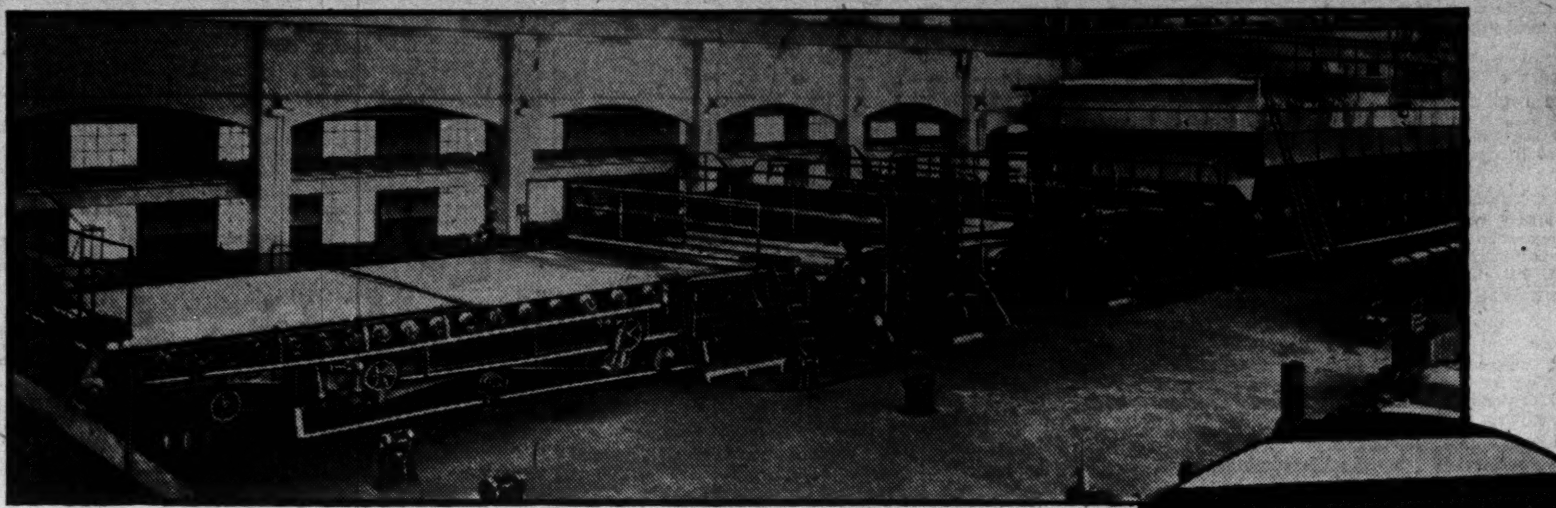
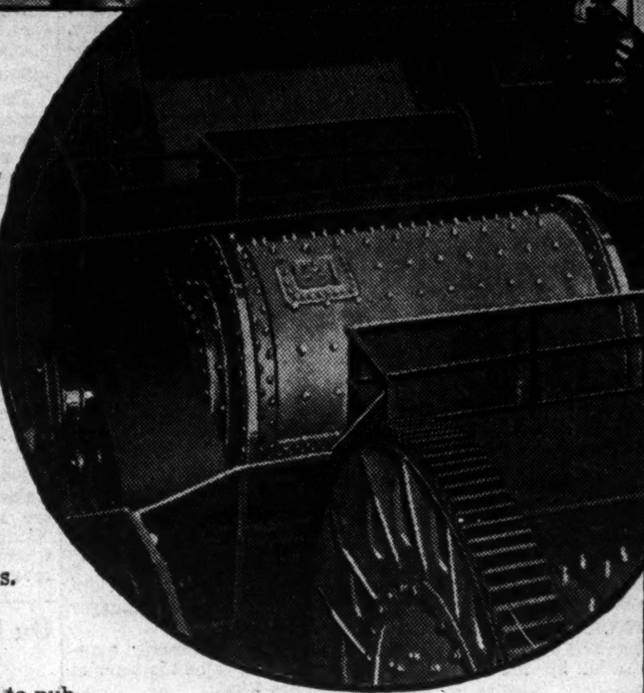
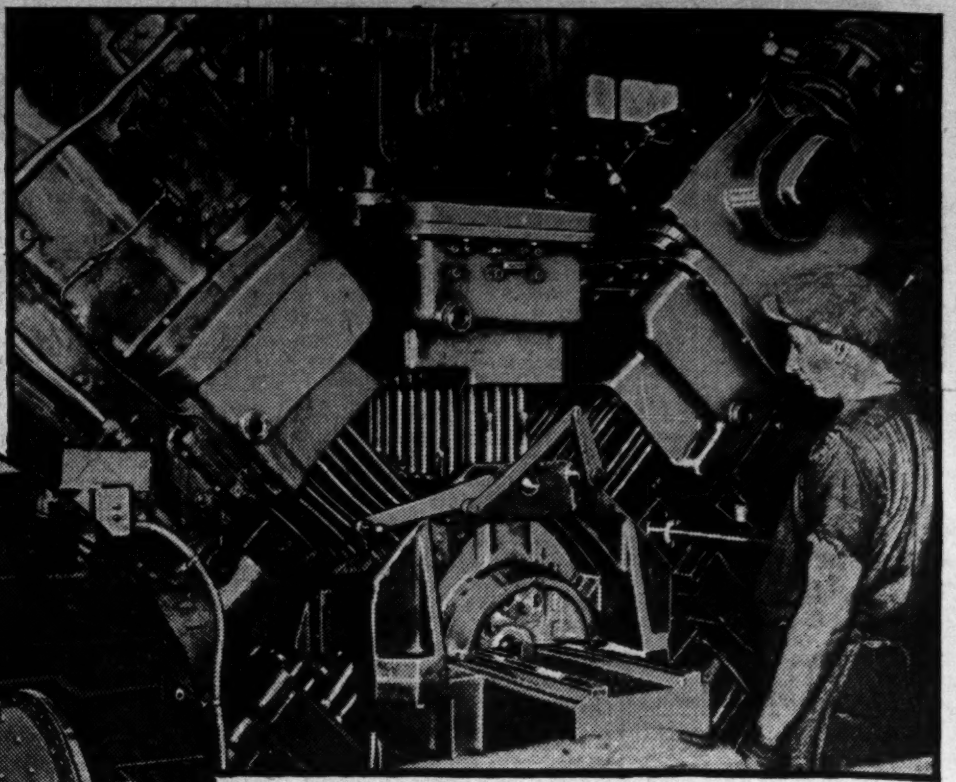






Machine Miracles

Canada's mighty newsprint industry has $266 millions invested in machinery, tools, etc. Obsolescence has played a leading rôle in the development of machines such as this 226-inch news machine at Powell River, B.C.

In the circle is a ball mill at Noranda Mines—a vital link in the chain of machine miracles which produces 2,000 tons of ore daily.

At top right is the amazing machine at Windsor boring 92 holes at once on Ford cylinder blocks.

Miracles *of* Modern Machinery

AWAY back in 1890 there were scattered across the industrial map of Canada no less than 76,000 individual manufacturing establishments. Each of these employed on the average something less than five employees; had an annual output worth on the average about $3,000.

Forty years later a mighty phenomenon had occurred.

The number of individual establishments had shrunk to about 24,000—less than a third of the earlier figure.

The average number of employees had grown almost six fold. The productivity of each plant had grown no less than twenty-five times.

What had happened?

Primarily, a miracle of machinery.

* * *

Touches Every Sphere

FOR there is scarcely a workshop in this country today which does not boast some mechanical device to either improve product or increase productivity. It may be just a small electric motor or perhaps a little automatic device. Or it may be a glistening monster which sucks in raw product at one end and ejects completed articles in a twinkling of an eye at the other.

And the miracle extends to every conceivable step in the production process. Even a modern furniture plant, for example, where pride of individual workmanship dominates, there will be found automatic electric saws to cut the raw wood; mighty electric presses to achieve exquisite veneered effects; high-powered spray guns to varnish or paint the finished product, and amazing electric rubbing machines for accomplishing what was previously one of the hardest tasks, namely a rich hard polish to the finished article.

* * *

The Obsolescence Gap

BACK in 1929 it is estimated by The Financial Post that Canadians spent something over $115 million for new plant machinery and equipment. By 1931 this total had been cut more than in two.

By 1933 purchases had dropped to the lowest point in more than twenty years, for in that year we spent less than $25 million on new machinery.

This meant less than $1,000 for each manufacturing establishment in Canada as compared with a corresponding figure of $5,000 during 1929.

And in the meantime the makers of machines, spurred on by the difficult times in which they found themselves had been spending millions of dollars in research and in developing and applying new inventions, methods and materials to this widespread field.

This has created an even wider gap than is indicated by a mere recitation of the falling off in annual sales. For not only must manufacturers now make amends for failure to provide for the usual inroads of depreciation into plant and machinery, they must also reckon with an even more potent force—OBSOLESCENCE, which has outmoded millions of dollars worth of machinery by the introduction of equipment which can produce a better product, more quickly and more cheaply.

Machine Tool Marvels

TAKE, for example, the startingly successful machine tool exposition held recently at Cleveland and which attracted over 500 Canadian industrialists and engineers.

First of its kind to be held in six years it provided startling visual proof that in scores of machines the developments of the past five years have been such as to preclude the possibility that old machines can any longer be rebuilt so as to give the same results in output and quality of product as these vibrant newcomers of the depression era.

Production machines have made special strides, due in large measure to the influence of the energetic automotive industry, although the improvement in "speed," "feeds" and "controls" on all types of machinery have been particularly striking. Modern control methods, be they mechanical, electrical or hydraulic have aimed to put the tool or machine completely under the operator's direct command in a way not dreamed possible a few years ago while liberal use of ball and roller bearings (in which nickel alloy steels are generally used) and greatly simplified construction have permitted increased speed, and greatly prolonged accuracy. More efficient lubricating systems are another aid to maintained precision, while the liberal use of alloy steels has strengthened and lightened machines with a corresponding increase in efficiency.

* * *

Saving Money

WELL up in the front rank of their virtues is the ability of these new machines to save money for their owners.

Perhaps you are one of those who periodically accuse your competitors of price-cutting. Your own quotation on a particular job may have been rock-bottom, with profit and overhead practically eliminated, yet the job has gone to someone else at a still lower figure.

What is the answer?

Many firms are finding that not their competitors but OBSOLESCENCE in their own plant and machinery is the real reason they are losing business and profits. That the use of modern, up-to-date machinery by competitors is proving a vital factor in competitive salesmanship. For example an actual printing job the other day on an up-to-date automatic press ran up pressroom costs of $53. The same job on older type machines showed actual dollars and cents outlays of between $90 and $106.

* * *

New Equipment

OR IT may be new equipment on an old machine that is required.

For example, the installation recently of the latest type of rubber-covered suction press roll in a paper-making machine in a Canadian mill enables the operators to achieve a top speed of 800 feet a minute compared with a previous speed of only 700 feet, and actually increased productivity by about 15 per cent. This installation will pay for itself in two years under normal operating conditions.

* * *

Public Bodies Affected

AND the benefits are of interest to public bodies, not merely to private corporations.

One large Canadian firm spent $60,000 during the depression installing an experimental laboratory for testing new types of pumping machinery with a view to increasing its efficiency. As a result it is now turning out pumps with something unheard of a few years ago—namely 90 per cent efficiency. The old figure was at best 75 or 80 per cent. A Canadian municipality installed one of these recently and reports substantial savings in its operating and power costs as a result.

The Canadian mining industry is another example of a field where new ideas, new machines and new equipment have rendered invaluable service toward lowering costs and increasing the efficiency in thousands of properties scattered across the dominion.

The list could be extended almost indefinitely. There are such things for example as the much publicized "electric eye" or photo-electric cell which has now been applied to over two score different kinds of industrial control; which will actually "count" anything from bags of tea, candy and cocoanuts, to automobiles. There is the application of electricity in the form of heat—the electric furnace, the electric welder and so forth, which has found its way into an amazing number of uses with startling record of performance in producing better products at less cost.

* * *

Behind the Scenes

ANOTHER vital function of modern machinery is the way in which it permits improvements in industries whose chief commodity is "service." The present perfection of the telephone is a case in point, for behind the miracles which happen nowadays when we lift the receiver, is a fascinating tale of science and machinery—human ingenuity and mechanical perfection.

Long distance telephony over land and sea owes its existence, for example, to two discoveries—the vacuum tube and the electric filter which unlocked in 1914-15, doors which had previously barred the way to further improvements in the basic discoveries of Morse and Bell. Most of us know what a vacuum tube is like from our experience with radio; few realize that 200 of these are used every time a conversation takes place from one edge of the continent to the other.

And telephones are hard taskmasters. Present tubes in use in the Bell system, for example, must stand up under continuous use for from two to eight years; the failure of any one of these tubes would cause annoying interruption in the conversation.

It is estimated that if the tubes of 10 or 15 years ago were used in the present plant of this system it would add to operating expense (in the United States) about $12 millions annually. Modern machinery plus human ingenuity are thus vital links in what has now become a commonplace of business communication.

* * *

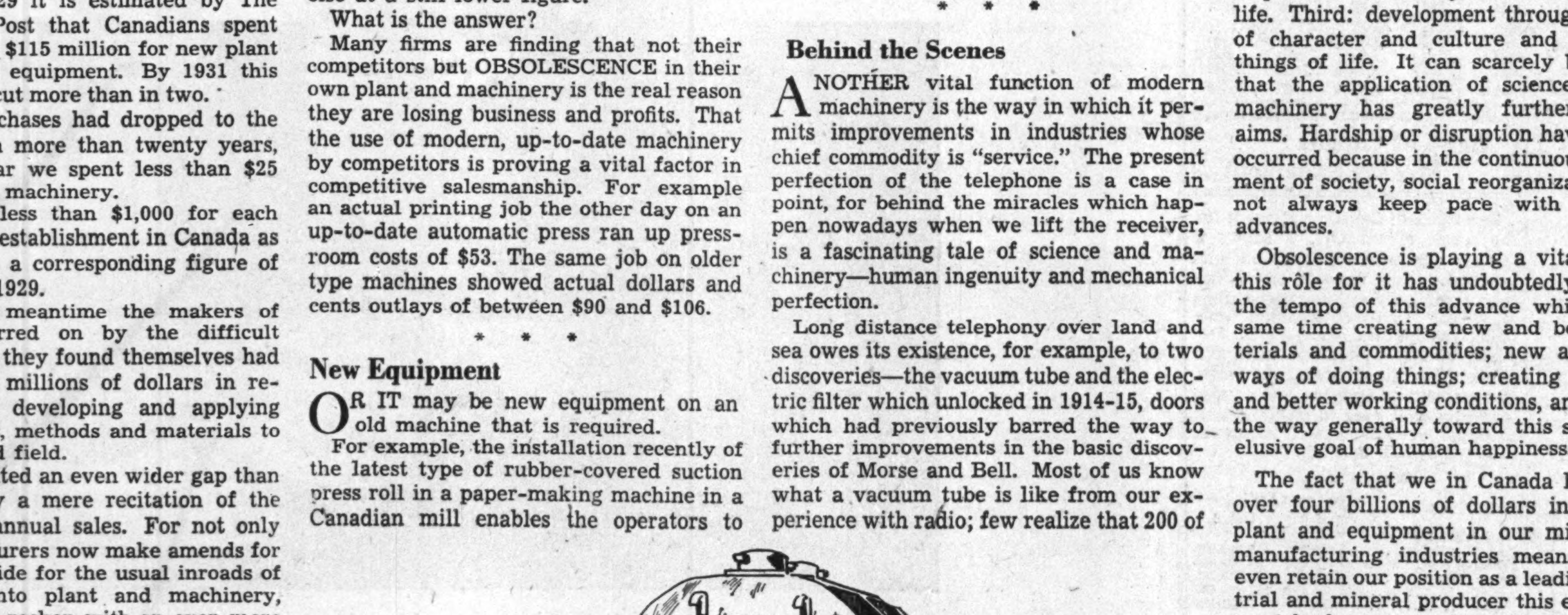
Aid to Human Progress

THE saga of the machine is often assailed because of its effect on that greatest of all machines—human beings. Those who talk most about technological unemployment often distort the picture by a confusion of terms and a failure to appraise objectives.

If human happiness is our goal, there are involved perhaps three important relationships between man and his environment. First: easy provision of necessities of life. Second: a sense of security by minimizing the number and extent of catastrophes which destroy and disrupt human life. Third: development through leisure, of character and culture and the finer things of life. It can scarcely be denied that the application of science through machinery has greatly furthered these aims. Hardship or disruption have usually occurred because in the continuous adjustment of society, social reorganization does not always keep pace with material advances.

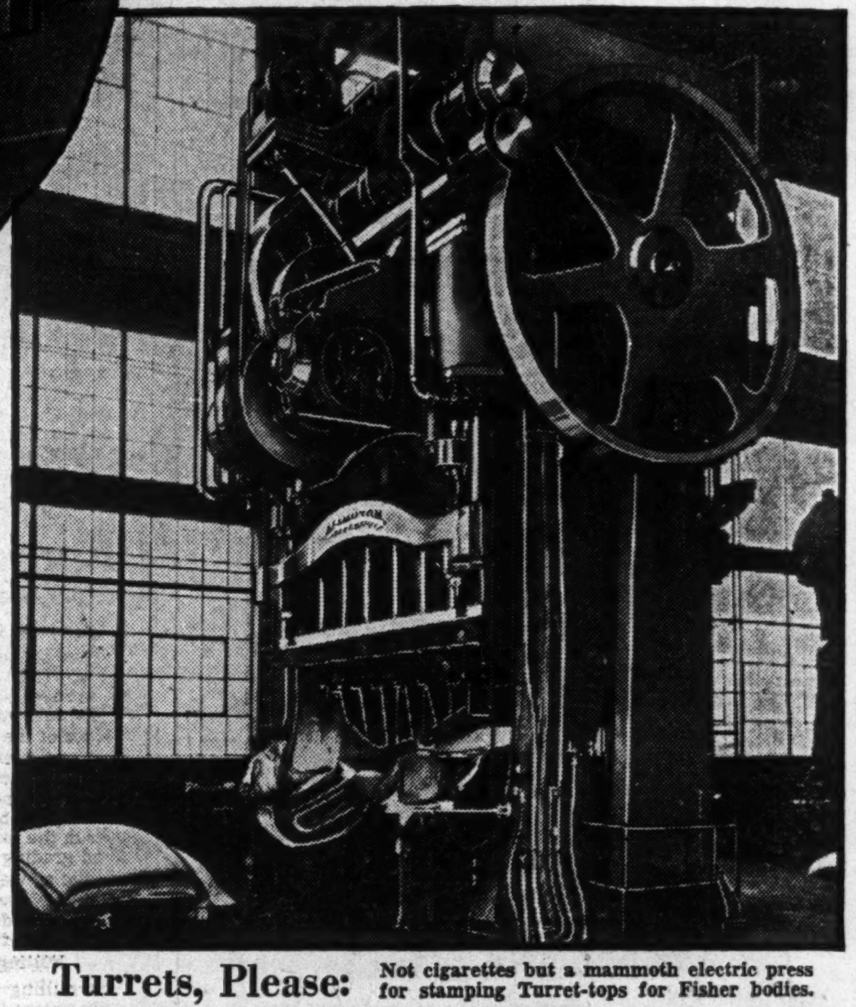
Obsolescence is playing a vital part in this rôle for it has undoubtedly speeded the tempo of this advance while at the same time creating new and better materials and commodities; new and better ways of doing things; creating new jobs and better working conditions, and leading the way generally toward this sometimes elusive goal of human happiness.

The fact that we in Canada have well over four billions of dollars invested in plant and equipment in our mining and manufacturing industries means that to even retain our position as a leading industrial and mineral producer this equipment must be kept up to date. To do this it is not sufficient to take cognizance of wear and tear and the things that go to make up common-or-garden depreciation. We must rather attack the real usurper of business profits—OBSOLESCENCE.

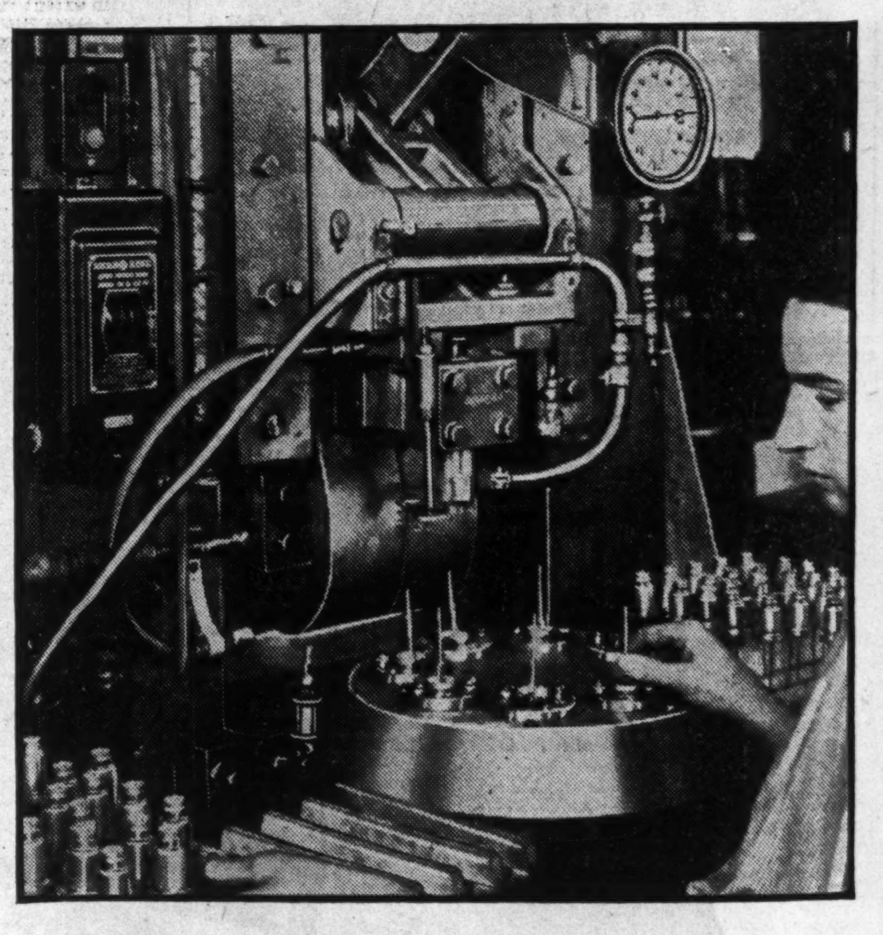


Big Market Here

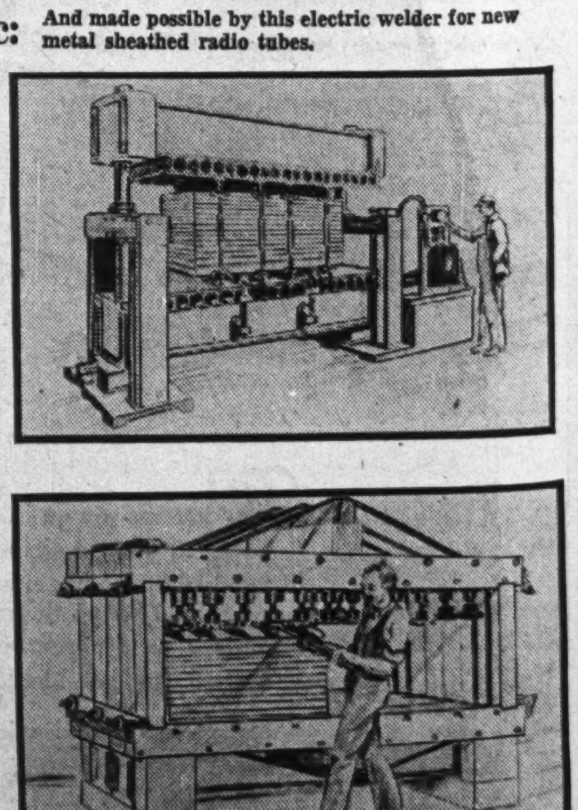
The graph at left shows how sales of machinery in Canada fell by 1933 to one-quarter the 1929 peak. Obsolescence has accelerated the demand for 1935; will greatly increase it in 1936.



Turrets, Please: **Not cigarettes but a mammoth electric press for stamping Turret-tops for Fisher bodies.**



Better Music: **And made possible by this electric welder for new metal sheathed radio tubes.**



Old and New: **The electric press above does in three minutes the work the old hand press took twenty hours to do a few years ago. Result: better, cheaper furniture.**

One of a series of articles indicating in practical fashion the amazing opportunities for good business that lie in a programme of rehabilitation for Canadian industry. These forward-looking firms and institutions are making possible this constructive series:

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THE FINANCIAL POST

SECOND SECTION

Vol. XXIX | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, OCTOBER 19, 1935 | 10c a Copy; $5.00 a Year | No. 42

Government Halters

With Exception of Milk, Marketing Control Schemes for Farm Products are Considered Unsatisfactory

BY GORDON L. SMITH

With the increasing activity of the Dominion Marketing Board into the selling field of farm and processed farm products during the year, a new problem has been created for retailers of foodstuffs. To aggravate this problem the whole question of compulsory marketing, has been the subject of keen controversy during the general election just concluded.

With the present turnover at Ottawa changes may be expected. The Liberal Party made no secret of the fact that it was not in sympathy with the compulsory features of the new statutes. Moreover the legality of the measures has never been tested in the court and until this is done neither producer nor distributor can be sure of the ground occupied.

Controlled Products

Products that have been directly affected by farm marketing legislature in the last year are as follows:

Potatoes	Milk
Jam	Apples
Cheese	Salt herring
Butter	Vegetables

Three of these products, herrings, apples, and vegetables, were involved in purely local schemes. The first two operated in the Maritime Provinces and vegetables in British Columbia. All commodities with the exception of milk came under the direct supervision of the Dominion Marketing Board.

Provincial Milk Schemes

Milk control has been carried out usually by the Provincial Governments, Ontario, British Columbia, Manitoba and Quebec, being particularly active in this regard. But with cheese and butter partially controlled by recent schemes of the Dominion Marketing Board milk is also affected, as it forms the raw material for both products mentioned. Because of the vitally important and special place in the whole field occupied by milk, this will come in for special treatment later on.

Control Unsatisfactory

It is now believed that most of the big retailers and processors of farm produce generally regard these efforts at control as unsatisfactory. Almost invariably any disadvantages fall on the larger companies which because of their size and the fact that large staffs and employees are necessary, are more vulnerable to control and inspection.

Bootlegging

When efforts were made to control prices, packages, and amounts of potatoes and beans sold, for instance, bootlegging developed. Both commodities were offered at lower than the stipulated prices. Large organizations like the chain stores would not be able to take advantage of such offers. Their prices were too public to hide. On the other hand, a small family-owned and operated grocery, might be able to handle, and it is claimed, did handle, potatoes and beans offered to them without the benefit of government checking.

Farmers themselves have not by any means been entirely friendly to the new legislation. As a rule, these individuals resent dictation in regard to what and where they sell. Moreover, there are plenty of instances of where, while a relatively high price was secured for that portion of the product sold under a control scheme it did not begin to equal the total value of a crop if sold outside the scheme.

Growers Position

Most of the plans provided for the selling of only a relatively small portion of the total crop. In the potato scheme, for instance, growers were told that only the larger sized potatoes would be handled and the remainder would have to be used on the farm. When the board inspectors got through taking up what they considered were the only potatoes fit for market, a very large proportion of the crop was left over which the growers were forbidden to sell. Such methods soon led to bootlegging and this in turn to the collapse of any scheme involved.

In most control schemes, the Dominion Marketing Board comes out flatfootedly and says that it does not dictate the price which the consumer will pay. However, this technicality is soon got round by the simple device of licensing distributors and these licenses can be revoked without any reason given.

In the case of jam, however, an effort was made to control both prices paid by the manufacturer for fruit to the farmer, and also prices at which these products were sold to the distributors. Even retail prices were considered. It is now generally believed that this practice is illegal and the whole jam legislation is threatened.

Ignore Consumer

One party that seems to be entirely overlooked in the scheme of controlled marketing is the consumer. He has been almost consistently ignored from the very first by the Dominion Marketing Board. Apparently that body laboring under the same impression as that of the original sponsors of the Agriculture Adjustment Act in the United States, believes that the agricultural industry could be raised piecemeal to prosperity. The idea seems to be that certain products of which there is no exportable surplus could be lifted entirely out of the general picture and profitable prices established whether or not such things as wheat, cheese and bacon which depend upon world markets, come along or not. But the fact is overlooked that practically all farm products with the important exception of fluid milk, are competitive.

When the Jam Board first got busy and devised a regular schedule of prices right through from the strawberry in the field to the conserve on the breakfast table, the fact was overlooked that the consumer might balk at the prices they asked. Actual experience has since proved that he did balk.

Sugar prices this fall were at the lowest point in years. Plenty of fresh fall fruit was available. There was no increase in the price of electricity, gas, or other fuels. Under such circumstances the housewife turned more to ready-made jam when the manufactured article went up in price. If she did not care to do her own preserving, there were other substitutes offered in the form of honey, and various syrups not under the marketing scheme.

The same conditions were true of many of the other commodities under control and the results were identical, although jam was the best example for the simple reason that it was one of the first to come under firm control and that control at first seemed to be favored by the manufacturers and growers themselves.

Obstacles

In regard to such finished crops as beans and potatoes which reach the consumer without any processing, the control scheme had little chance from the first. These crops with no change in acreage, may vary as much as 50 per cent in a single season for the simple reason that with good weather twice as many bags of potatoes are raised from the same piece of land as would be the case in a poor year. When the talk of control was first started, growers thought that they would make a killing and increased the acreage, thus adding another difficulty.

Milk, upon which probably 20 per cent of Canadian farmers, depend, for their main livelihood and which is practically the sole product handled by all the large dairy companies is affected by three different systems of control. Two of these, namely, the butter and cheese schemes, are under the jurisdiction of the Dominion Marketing Board of Ottawa, while milk as used in the larger towns and cities and distributed through the big dairies, comes under provincial schemes.

Butter and Cheese

The butter and cheese schemes are simply based on compulsory and subsidized exports.

Briefly Canada exports a large quantity of cheese but until very recently the country was on an import basis in regard to butter. Prices of the latter were relatively higher than cheese and as a result butter production has been increasing in recent years and cheese has been declining. In the last six months, however, butter production promised to climb considerably higher than consumption and export seemed inevitable. With such export normally domestic butter prices would immediately fall to the world level.

To prevent this the federal government first instituted a million dollar cheese bonus scheme whereby producers were to get a straight subsidy of a cent and a half on every pound of cheese produced. In this way, milk supplies it was hoped would be diverted from butter making. Apparently the scheme, which was inaugurated in early summer, came too late to affect materially cheese production which is a five months job usually commencing about the first of May.

At any rate a few weeks ago the Dominion Marketing Board announced a butter export board, the duties of which consisted of lifting 10,000,000 pounds of Canadian butter off the domestic market and selling it in Great Britain. A bonus of 1½ cents per pound was planned. So far the difficulty seems to be in collecting the butter because many manufacturers, sensing high prices with the surplus removed, desire to hold. They prefer to let the other fellow do the exporting. Moreover there does not appear to be any guard against still higher production which high prices inevitably encourage.

But of all the control schemes, that embracing fluid milk for direct consumption in the cities and towns is credited with being the most likely to succeed. Fluid milk has practically no substitute at anything near the same price. One can switch from potatoes to other vegetables, from jam to home preserves or honey, or from salt herrings to fresh herrings but so far milk occupies a reserved position in the family menu.

Added to this invulnerability is the fact that even pasteurized milk is a very perishable commodity indeed. It must be fresh, kept cold and handled with the utmost dispatch. Again care in production and handling is of the greatest importance. If this job is skimped or done carelessly the milk may become a deadly carrier of disease.

For these reasons milk when used as milk and not in the form of less perishable and less easily contaminated cheese, butter or ice cream occupies a very special place and control is accepted by all three parties interested; the producer, the distributor and the consumer. While the average observer is dubious regarding successful rigid control measures for most agricultural commodities he generally agrees that milk is an exception to the rule.

Grading

All these new control features have been added to systems of government intervention already in force. For generations some supervision, usually in the form of government grades, has been exercised. For instance practically all agricultural products which are exported are subject to certain government grades. Wheat, apples and cheese have long been graded.

Broadly speaking there are two different schools of opinion in regard to this general supervision. One, as revealed at the Price Spreads probe would go much farther, along the lines of the Dominion Marketing Board and increase that control to include production and price.

The other, and this seems to be the side favored by the Liberal party critics in the recent campaign, would extend grading to perhaps cover the domestic as well as the export field but would leave actual problems of production and price to the growers and the law of supply and demand.

Milling Difficulties

The milling companies and to a certain extent the bakers, because in many cases the same firm handles the two operations, have been placed in a different position to the other companies interested in the handling of foodstuffs.

Until the world wheat prices recently caught up to the artificial level at which Canadian wheat has been held since the "pool" and later the federal government entered the market, millers were forced to pay an artificially high price for their raw material, wheat. This proved a very definite handicap in attempting to sell the flour milled from such wheat in world markets. As a result not only did the export market for Canadian flour dwindle but competition for the more profitable domestic market became keener and earnings dwindled. This condition is largely blamed for the sharply declining profits of the Canadian milling companies in the last few years.

Now following very short crops or prospects of such in United States, Argentina, Australia and Europe the world faces a wheat shortage. Sharp price rises at Winnipeg have occurred already and the general outlook points to Canada liquidating in full and at profitable prices its present carryover before the new crop year commences next August.

But most milling companies point out that just as one swallow does not make a summer, flour from one relatively small crop of Canadian wheat sold at good prices will not completely offset several previous ones sold at little or no profit.

Ogilvie Flour Mills

Statement for 1935 Will Show Greater Details of Operations and Income — Dividend is Maintained

No official information is available as to earnings of Ogilvie Flour Mills during the fiscal year ended last August, but expectations are that the report which will make its appearance in November will show that milling operations were less satisfactory than in the relatively poor 1933-34 year.

Much of the mystery surrounding this company's finances and earnings will be dissipated by the 1935 report, which, under the amendment of the Dominion Companies' Act will have to show more details than has been customary. Income will be divided to show revenue from milling operations and from investments. The latter is particularly important in the case of Ogilvie Flour Mills, as over a period of many years the company has built up a very substantial investment account. Revenue from this source has enabled the company to maintain dividends on a regular basis at a time when milling operations were very unsatisfactory.

During the 1934 fiscal year the company reported earnings of $8.08 a share on its common stock, as compared with dividend requirements of $8 a share. This is practically the same as in the preceding two years and it is not anticipated that the 1935 report will show major change.

Capitalization—	**Authorized**	**Outstanding**
Pref. 7% cum. ... ($100 par).	$2,000,000	$2,000,000
Common (n.p.v.)	75,000 shs.	75,000 shs.

Preferred is not callable.

Funded Debt—
None.

Dividend Record—
Preferred—7% cumulative, payable 1st Mar., June, Sept. and Dec.; paid regularly since 1902.
Common—Present rate $8 per annum, payable 1st Jan., Apr., July and Oct. Bonus also paid on common from 1916 to 1930, excepting 1921; no bonus since.

Subsidiaries—
Ogilvie Grain Co.
Seaforth Milling Co., Ltd.
Glenora Securities Inc.
The Tree Line Navigation Co. Ltd.
Consolidated Bakeries of Canada, Ltd.

Head Office—Montreal.

Officers and Directors—
Officers—W. A. Black, pres.; R. R. Dobell, vice-pres.; G. A. Morris, asst. to pres. and sec.; J. C. McLaughlin, treas.; H. K. Hepburn, asst. sec.treas.; H. Sellers, Winnipeg, western mgr.; V. W. Maclean, Fort William, mgr.; H. N. Davis, Medicine Hat, mgr.; D. A. Grout, Edmonton, mgr.
Directors—Sir Montague Allan, W. A. Black, R. R. Dobell, Sir C. B. Gordon, Sir Herbert S. Holt, E. B. Hosmer, J. W. McConnell, Beaudry Leman, Montreal; S. T. Smith, Winnipeg; F. K. Morrow, Toronto.

Earnings per Share and Dividend Record:

Year end. Aug. 31:	1934	1933
Pref.: Earned	$37.34	$37.39
Paid	7.00	7.00
Common: Earned	8.09	8.10
Paid—Divid.	8.00	8.00

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1928	1,941,550	1,640,000	2,777,972
1929	2,381,741	2,015,270	3,144,713
1930	1,127,436	1,115,000	3,157,149
1931	755,149	740,000	3,172,298
1932	744,936	740,000	3,177,235
1933	747,771	740,000	2,179,556
1934	746,749	740,000	2,186,305

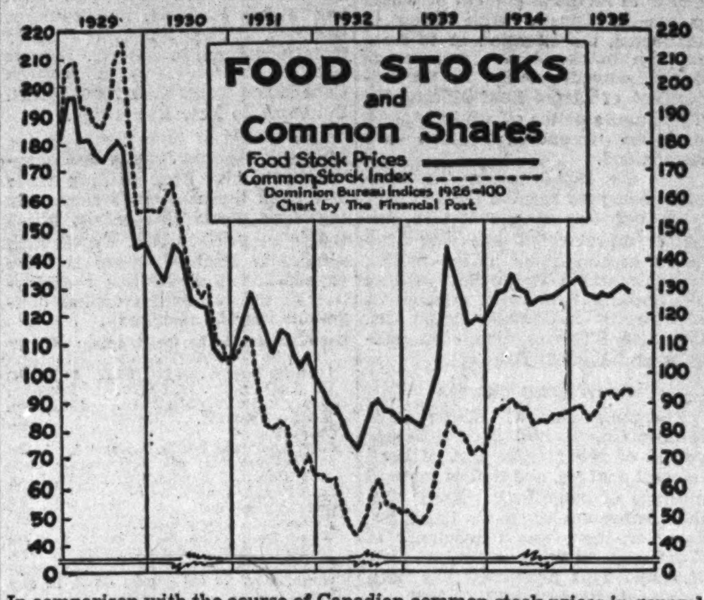
*After depreciation and bond interest.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Com.	190	140	209	180	211	100
Pref.	152	130	140	125	125	108

*To Oct. 8.

Shares in Food Industries Retain Gains



In comparison with the course of Canadian common stock prices in general, prices of shares in foodstuffs companies have a better than average record. The decline of foodstuffs shares from the 1929 peak was sharp. But they did not reach the depths plumbed by other stocks. And they have recovered further. The chart depicts the movement in common stock prices in general as measured by the Dominion Bureau index. The D.B.S. index for foodstuffs shares, however, shows that they have had greater price stability.

BREAD PRICES BEGIN TO RISE

Bakers Say Flour and Other Ingredients to Force Action

WAR IN MANITOBA

Bread manufacturers are now considering a rise in the price of bread. Volume of sales has been increasing but rising prices for flour, shortening and other ingredients are making the margin from which alone profits can be derived quite small. Already cheaper grades of bread have been advanced from one to two cents a loaf to the Ontario housewife outside of Toronto and larger centres. The 10-cent grade remains unchanged.

All large companies during the depression have been making as many operating savings as they possibly could. Operations have been concentrated in as few plants as feasible by such companies as Canada Bread Company, Consolidated Bakeries, and other plants have been opened only as increasing business made it advisable.

Large companies have reported an increasing cake business. To serve their growing cake markets, three companies have had to concentrate all baking of cake in one plant and to re-arrange the work of other plants in consequence.

In Ontario and Quebec a few years ago there was a bread war started as a result of loss leaders being made of bread in chain stores. At length an arrangement was made between regular bakers and chain store distributors so that apparently this is no longer a serious competitive menace in Ontario and Quebec at present. In Winnipeg, however, a bread war was started by a chain store on August 15 with bread again featured at very low prices. Baking companies report that prices have been driven so low as to force them to incur heavy losses. A provincial commission is investigating the whole problem. This problem has been made much more serious on account of the pegging of wheat at 87½ cents, of the rise in prices of wheat to beyond that figure and of the price of flour being $1 a barrel more than it was a year earlier.

Early in November a Dominion convention of bread bakers will be held in Toronto. This matter will be discussed and members are hopeful of good results arising.

U. S. Bread Rise Planned

Reports from the United States indicate that the rising cost of ingredients, particularly flour, is also causing bakers in various districts to get together to consider the question of a general advance in bread prices. Few increases have been made yet in districts where competition is very keen. As it was in central parts of Canada a few years ago, bakers are jockeying for position and willing to take rather heavy losses to achieve volume.

Manitoba Provincial Commission is understood to have studied the action taken by the Utah Recovery Board. That board brought an end to the price war by establishing a minimum price of three loaves for 10 cents. That at least prevents free distribution as a means of attracting trade in order to stimulate sales of other commodities.

To meet the situation caused by a lower price level there has been a tendency among the larger baking companies to reduce their capitalization and to wash out intangible items from the balance sheet. Shareholders of the Consolidated Bakeries of Canada met on April 11, 1933, to sanction the writing down of valuation of common stock by more than $4 millions and a consequent revaluing of investments and fixed assets to market value and the writing off of goodwill.

In the summer of 1935, Canada Bread has done much the same thing by reducing the rate on the first preferred stock of seven per cent to five per cent, and by cutting the par value of the B preferred in half. This enables the company to boil down the valuation shown for assets to about what they are considered to be worth under present day conditions.

George Weston Bread and Cakes arrived at much the same condition by buying properties of bankrupt concerns which through bankruptcy had lost much of the value attributed to the properties in boom days. Most of the other large companies are watching opportunities to make any savings possible both in overhead and in operating expenses.

CHAIN STORES ADJUST UNITS

Expanding Individual Stores to Spread Growing Taxes, Lessen Overhead

CLOSE OUT DUDS

Business of chain stores apparently is recovering from the wounds dealt it by certain members of the Price Spreads and Mass Buying Committee at Ottawa in 1934. Great publicity was given to the sensational attacks by the first chairman and others on chain store methods and very little in comparison to the voluminous figures and facts presented by the chain stores themselves. These denied the justice of the attacks which nevertheless did many chains harm.

The 523 chain store organizations operating in Canada had 8,573 stores in 1930 but this number has been somewhat reduced since. The chains referred to embrace shoe stores, women's ready-to-wear stores, restaurants, filling stations, drug stores and grocery stores.

Chain store organizations have apparently entered another era. They had a tremendous expansion while their methods of distribution gave them an advantage over the independent stores drawing their supplies from the old-time wholesale houses. Since that time, however, the wholesale houses and the independent grocers have cemented a buying and selling alliance which enables the independent and efficient grocer to compete with chain stores on a good basis.

Lagging in Profits

Chain stores as a whole have rather lagged in their profit-making capacity in the last year or so. Several of them improved the physical volume of sales, however, at lower prices. Others have felt the onus of increasing taxation and claim that many specific taxes have placed them at a disadvantage with competing concerns other than chain stores. On the other hand, in the last year or two the chain store organizations have shown greater activity in placing their views before the taxing authorities and they intend to persevere as long as they feel they are the objects of discriminatory taxes.

In Ontario, a decade ago, most of the large wholesale companies merged into one company so that their mass buying power would be as great as the chain stores and so that they could pass the advantage of such buying on to their customers.

Occupy Important Place

Everyone is aware that chain stores still occupy an important place in the marketing of goods. They do 18 per cent of the total volume of retail business, while the department stores do 12 per cent. The new situation is that chain stores as a whole are not making inroads at present on the additional 70 per cent of the retail volume which is still done by 125,000 independent or individual retailers.

With some outstanding exceptions there has been a considerable decline in total dollar sales volume and profits of prominent Canadian chain store organizations. One reason for this, of course, may be that a number of the organizations have been closing unprofitable stores which were opened under more advantageous conditions that have now passed away. Some hundreds of stores have been closed in this way and the customers relinquished naturally go to other chain stores and to independents. It must be emphasized that competition between chains has also been keen. The chains are striving to increase the sales and the profits made in the individual stores that remain. Full results of major adjustments in policies will be shown in next few years.

Expanding Units

Loblaw Groceterias, which has not taken any backward steps, is following a plan of internal expansion store by store rather than of increasing the number of stores. It had added fruit, vegetable and meat sections in an effort to get the greatest possible advantage out of each store which it owns or has leased. Dominion Stores and other chains are following suit. Dominion Stores has been able to open or close stores quite rapidly in the past and to take greater chances. The stores are not generally so large as Loblaw's but there seems to be a tendency for this company and others to assess each individual situation very carefully, to establish or expand new units only where there is a good prospect to make each store a permanent part of the community, as are those of independent retailers.

There seems to be a growing tendency both with chain stores and independents to adopt reasonable price levels. Many addresses are being made contending that bargain prices coupled with loss leaders spell unemployment and reduce purchasing power.

The situation in Montreal is causing a good deal of concern to organizations with chain stores there. Taxes are much higher than in Toronto.

Spreading Expense

To conclude, there seems to be a growing tendency to fewer stores in chain organizations so as to spread the overhead expenses. One of the greatest items of expense in overhead is taxes, and there are observers who say that the high taxes are doing more to cause such concentration than any other single factor. It would be a mistake to suppose that chain stores, because they have difficulties at present, will not have another period of growth and profits when they have successfully adjusted themselves to present conditions. Primary producer felt the first weight of the depression and it has taken in more and more of the community life until at last chain stores have had to inaugurate great changes to meet changing conditions. The necessary changes are being effected.

Some Food Specials

Securities in Seven Companies Have Unusual Characteristics of Much Interest to Investors

Among the dozens of securities of companies engaged in the foodstuffs business in Canada, there are some possessing unusual characteristics which make them of special interest to the investor.

They are like the grocer's specials. They may not all be genuine bargains, but each has an out-of-the-ordinary appeal. Nor are they the only goods in the shop that have attractions for the investor.

Eight Listed

A list of eight of these securities follows:

Dominion Stores common.
National Grocers preferred and common.
Fanny Farmer common.
Western Canada Flour preferred.
Canada Bread B.
Acadia Sugar common.
Burns & Co. five per cent bonds.

Basis For Selection

These securities are selected from the many surveyed in this issue of The Financial Post for special analysis, not because each is likely to produce substantial income or profit, but because the peculiar circumstances of each case warrants at least the attention of the investor. All except the Burns bonds are listed on recognized exchanges.

An outline of each follows:

Dominion Stores Com.

Dominion Stores common has been in the dumps. This because its once immense earning power seems to have disappeared. But its capacity for profits—and dividends—may only be in hiding.

There is only common stock. It sells around $7½ a share. This compares with a low of $6⅝ this year, the lowest value at which the stock has ever sold. Market value of the shares might suggest that the company has gone to the dogs. But there are other facts worth considering.

Sales and Earnings

Decreases in sales of the company have virtually stopped. Increases are now anticipated. It is noteworthy that average sales per store have already been increasing because fewer stores are actually obtaining nearly the same dollar volume as last year.

There won't be sufficient profits to increase surplus this year. Nor will there be a dividend. Surplus has been slashed by write-offs. This purge may be a favorable feature, despite the reduction of surplus. It represents a complete reform of inventory, sales technique and of store properties. Dominion Stores has now made its stores more inviting to the shopper than ever.

If and when the write-downs and reformation bring back profits, dividends on the shares will be possible immediately. This because working capital has actually grown and the company's financial position is comfortable. If the company can recover even half the earnings and pay half the dividends of 1933, the yield to the buyer at $7½ a share would be eight per cent.

National Grocers

Both preferred and common shares of National Grocers have unusual investment features.

Preferred dividends have been earned comfortably. Recent refinancing of bonds saves some interest, but the saving and more is to be used to redeem bonds annually. Although the preferred is callable at 110, it sells close to 130. This because it is not going to be called.

Officials of the company are large holders of the preferred which has accumulated $35 a share of arrears. Regular dividends are being paid and when possible a payment is made on the arrears. The stock will not be called, at least until the arrears are paid. Here is $7 a share plus arrears to be hoped for.

This company apparently has the unusual policy in mind of paying off its debt and actually paying its preferred arrears. It may take years. Provided present success of its Red and White sponsored chain groceries is continued, the plan may some day be completed.

Common Outlook

The common shares offer no hope of dividends for years. As long as bonds are being redeemed, or preferred arrears being paid, there can be no common dividend. Yet the stock offers a possible advantage to the investor who has an income tax problem. Provided the company's long range debt payment programme is successful, the day may come when common dividends are in sight. If so, appreciation in value of the common shares would compensate the holder for non-receipt of income.

While senior officials of the company are no longer young, there are junior men who are considered capable, if the need arises, of carrying on.

Fanny Farmer Com.

Fanny Farmer Candy Shops Inc. has only common shares outstanding and is an investment in Uncle Sam's sweet tooth. The company is one of the few corporate chains financed in Canada which is still in an expanding stage.

Number of stores has been increasing steadily as the business is spreading in the United States. Sales have consequently been rising. This, of course, is also due to improving business conditions.

This year the company will record the highest sales in its history and probably the greatest profits. Net earnings will be over twice those of 1933 and over three times those of 1932, the depression low. This is recovery with a vengeance. It is noteworthy for the cautious investor, however, that depression profits were not sufficient at all times to allow payment of dividends at the present rate of 50 cents a share under the present capitalization.

Possibilities of further dividend increases depend on the limit of profitable expansion of the candy chain in the United States. Profits are made on average annual sales of less than $30,000 a store. Operations are conducted in units, a district factory supplying a group of neighboring stores. This system has shown unusual expansive possibilities.

W. Can. Flour Pfd.

Western Canada Flour Mills Co. preferred stock has been selling under $30 a share. It is paying no dividends at present because earnings were chiefly notable for their absence in the year ended Aug. 31, 1935. The balance sheet is not unsatisfactory, except that investments in bakery companies have not been productive.

The notable thing about the company is that it paid common dividends for 25 years prior to 1931. Until the Dominion Government stepped into control of Winnipeg wheat prices, Western Canada Flour was able to make consistent profits far beyond full dividends of $6½ a share on the preferred stock. The company is managed by long-experienced milling men. Prospects for recovery of former profits depends largely on maintenance of prices for the company's grain purchases on a competitive basis with grain prices in Liverpool. This would restore unhandicapped export competition for flour. Under such normal competition, Western Canada is capable of regaining its share of larger Canadian flour exports.

There are no securities senior to the preferred, although bank loans have been substantial. Hence, if earnings are recovered the preferred stands first in line for dividends and for arrears of $11.12½ a share. Already, the company's business has shown signs of revival owing to the rise of wheat at Liverpool, in line with Canadian prices. Millers are crossing their fingers, but hope that this situation will last to their benefit.

Canada Bread B

Canada Bread Co. new B preferred stock sells well below $30 a share. It carries a cumulative dividend of $2.50 a share which is not being paid. Due to recapitalization, however, the company can now make smaller depreciation deductions and cover the first preferred dividend. Hopes of payments on the B stock rest on continued improvement in business. B dividends are not in sight immediately, but are not an improbable development, if the company continues its recent progress.

Reorganization of operating policies has repaired the company's earning power materially. The company's record for 20 years prior to 1932 shows that earnings more than sufficient to cover B dividends are possible. The B stock has a participation feature which might be of value if any important portion of the former large profits were regained. If it is possible to pay the fixed rate of $2.50 a share, a yield of nearly 10 per cent would accrue on the basis of present prices for the shares.

While there are difficulties, such as the bread price war in Winnipeg, to be solved before B dividends are likely to be earned, they are not insurmountable.

Acadia Sugar Com.

Acadia Sugar common is traded only inactively and no dividend has been paid on the present stock since it was issued in 1926. The possibility of common dividends, however, appears to be turning into a probability.

The capital is $1,500,000 of preferred and the same amount of common stock in shares of $5 par value. For nearly five years the company has been paying off arrears of preferred dividends. At the present rate, these arrears will be wiped out next year. Also the company has wiped out its seven per cent general mortgage bond issue by redemption and is to refinance its first mortgage bonds at a reduced rate. These savings all benefit the common shares.

If the company finally pays the diminishing preferred arrears, as is expected, the regular arrears payments could be turned into payments on the common. The company's record since 1928 shows ability to pay off debt and to start common dividends.

Burns 5% Bonds

Burns & Co., western meat packing firm, has had an unusual amount of criticism recently, the original financing having been termed "nearly fraudulent." Reorganization, however, has drained "water" out of the assets and puts holders of the five per cent first mortgage bonds in the commanding position.

These bonds are unusual. Half carries the fixed rate of 3½ per cent for 1935, which becomes five per cent in 1936. The other half pays interest up to 1938 only if earned, the maximum rate being five per cent. Favorable prices have aided the company to cover the fixed interest by a wide margin this year and it is possible that the first payment on the income half of the bonds will be made April 1, 1936.

The bonds can only be bought in the bundle; half and half. They are not traded separately as fixed and as income bonds. The buyer takes half of each. At the current price of 59-61 the investor buys the probability of fixed interest payments in 1936 of $25 per $1,000 of bonds. He also buys the possibility of a payment on the income half of the bonds.

The $25 represents a return of about 4.2 per cent. And payment on the income portion would be a straight bonus to the yield. Payment of three per cent on the income security, for instance, would raise the total return, on a stock yield basis, to nearly seven per cent. If repayment of capital is ever made, the bondholder would stand to recover a profit above the discount price at which the bonds are selling.

It is all-important to remember that a downward trend of prices or interference with Canada's exports of meats and similar products could hurt Burns & Co. seriously. And the company's recent adverse experiences do not indicate that it is a gold mine. Yet there are abnormal features of note in the Burns bonds.

'Lantic Sugar

Regular Dividends Paid on Stock — Ottawa Reports Less Refining

Since change in control of Atlantic Sugar Refineries, no financial statement has been issued to the public. Dividends have been paid regularly on the Class A preferred stock, and it is presumed that income has held up in a satisfactory manner.

In the early part of 1932 a reorganization of the company was carried out, resulting in the reduction of the company's funded debt to a point permitting a resumption of dividends after a lapse of nearly thirteen years.

While no information has been issued on operations since the reorganization, the Government's weekly reports on sugar refining would indicate that operations are lower than a year ago.

Capitalization—	**Authorized**	**Outstanding**
Prep. A cum. .. Par $100.	$1,111,100	$1,111,100
Pref. B non-cum. N.p.v.	40,000 shs.	40,000 shs.
Common, n.p.v.	160,000 shs.	160,000 shs

Funded Debt—
5 per cent debenture stock, due 1942, outstanding $811,102.

Dividend Record—
Preferred A—7 per cent cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Initial payment made Oct. 1, 1932, and regularly since.
Preferred B—$7 per annum, non-cumulative. None paid to date.
Common—None paid to date.

Head Office—Montreal.

Officers and Directors—
Officers—F. R. Graham, chm.; L. J. Seidensticker, pres.; P. R. Gardiner, vice-pres.; S. A. Hayden, sec.; E. S. Johnston, asst. sec. and treas.
Directors—F. R. Graham, L. J. Seidensticker, J. C. H. Dussault, D. H. McDougall, Montreal; P. R. Gardiner, S. A. Hayden, Toronto; T. J. Dillon, New York.

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Inter. Milling Co.

U. S. - Canadian Milling Concern Redeems Preferred and Issues New Stock at Lower Rate — Earnings Cover Dividends Amply

On October 15, 1935, International Milling Co. redeemed 32,479 outstanding shares of 7 per cent preferred stock, and 8,435 outstanding shares of 6 per cent preferred stock, series A. A. E. Ames & Co., Ltd., Toronto, has sold to present holders in Canada a new issue at 5 per cent cumulative redeemable sinking fund first preferred stock.

The 7 per cent preferred stock is being redeemed at $110 per share, plus accrued dividends of 88 cents and the 6 per cent Series A shares of preferred at $107 and accrued dividends of 75 cents per share.

Of 60,000 authorized shares of $100 par value of the new issue, 45,000 shares will be issued. The fixed cumulative preferential cash dividend is to be payable quarterly, January, April, July and October 15 in United States funds. It accrues from October 15, 1935. It is redeemable at $105 and accrued dividends. A semi-annual sinking fund of not less than $1 per share annually begins April 15, 1936. The new preferred stock will have no vote unless four quarterly dividends are in arrears.

For the nine months ended May 31, 1935, the company had profits available for dividends on the first preferred stock amounting to $902,700. It had on May 31 working capital of $8.2 millions or $8.5 millions after giving effect to the new financing. The new issue of $1.5 millions 4 per cent bonds by its subsidiary, Lake and Rail Warehouse & Elevator Corp., is guaranteed as to principal, interest and sinking fund by International Milling Co. This is its only funded debt.

Judged by the earnings shown for the first nine months to August 31, 1935, earnings for the full year will be about $200,000 less than for the previous year. Dividends on the preferred and common shares are expected to be well covered.

The company was incorporated under Delaware laws in 1923. It produces hard wheat flour, rolled oats, cornmeal, corn flour, chick and poultry feeds and by-products both in United States and Canada. The business in Canada is conducted by an entirely-owned subsidiary, Robin Hood Mills. Its mills are at Calgary, Moose Jaw and Saskatoon in Canada, and at New Prague, Davenport, Sioux City and Buffalo in the United States. The company has had an excellent earning experience both in years of prosperity and depression.

Capitalization—	Authorized	Outstanding
1st pref.	$5,000,000	....
Orig. series 7%.	....	$3,430,100
Series A 6% ...	....	890,600
2nd pref. 7% cum.	1,000,000	nil

Par $100.

(These two issues are being redeemed and a new 5% issue of 45,000 shares substituted as explained above).

Common	150,000 sh.	100,000 sh.

N.p.v.

Funded Debt—
Guarantees $1.5 millions issue of subsidiary as mentioned above.

Dividend Record—
First Preferred—Original issue 7%, series A 6%, both cumulative, payable quarterly, 1st March, June, Sept. and Dec. in U. S. funds, 7% has been paid regularly since incorporation, 6% from June, 1929 on Series A now being displaced by 5% issue.
Common—Paid annually in December from 1924. $5 per share paid in 1930 and 1931; $4 in 1932; $4.25 in 1933.

Subsidiaries—
Robin Hood Mills Ltd.—Entirely owned subsidiary. Mills located at Calgary, Moose Jaw and Saskatoon.
Lake and Rail Warehouse and Elevator Corp.

Head Office—Flour Exchange Bldg., Minneapolis, Minn.

Officers and Directors—
Officers—W. L. Harvey, pres.; F. A. Bean, vice-pres. and gen mgr.; F. V. Spofford, sec.; H. F. Marsh, treas.
Directors—F. A. Bean, W. L. Harvey, H. F. Marsh, J. R. Morris, F. V. Spofford, all of Minneapolis, Minn.; J. J. Kovarik, Buffalo, N.Y.

Earnings per Share and Dividend Record—

	1934	1933	1932
1st pref.: Earn.† ...	$34.23	$27.06	$25.39
Paid on 7% stk.	7.00	7.00	7.00
Paid on 6% stk.	6.00	6.00	6.00
Common: Earned..	11.66	8.86	8.29
Paid§	4.25	4.00	5.00

†Based on the total number of both series of first preferred shares outstanding as at August 31.

§Exclusive of treasury stock.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	1,565,140	667,509	4,887,828
1929	1,564,720	949,114	5,598,146
1930	1,463,694	828,329	6,398,295
1931	1,307,314	807,093	6,917,478
1932	1,125,576	796,810	6,824,059
1933	1,169,095	683,143	7,450,108
1934	1,444,254	703,388	8,218,290

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
1st pfd.	114	109	110½	99	105	95
Pref.	†101¾	99	99	84	90	82

*To Oct. 8. †New.

Fanny Farmer

Sales, Profits and Dividends Showing Pronounced Increases

Fanny Farmer Candy Shops, Inc., has increased, sales, profits and dividends by leaps and bounds in the last two years.

Net profits will show a further increase in 1935. Last year, net profits were $412,379, after all charges, compared with $219,256 in 1933. The number of common shares was increased from 100,000 to 400,000 in 1934, and shareholders received four new shares of $1 each for each former share of no par value. Preferred shares were all redeemed. Earnings for 1934 amounted to $1.06 a share on the basis of the 390,512 new common shares outstanding at the end of the year.

Dividend Raised

In 1935, dividends of 12½ cents a share have been paid each quarter on the new stock, which establishes an annual rate of 50 cents a share. This is the equivalent of twice the former rate, which was $1 a share annually on one-quarter the number of shares. It appears that earnings in 1935 will exceed $1.25 a share, if the sales increases experienced in the first eight months continue.

In the eight months ended August 31, 1935, net profits were $219,601, after depreciation, but before federal taxes, compared with $168,858 in the same period of 1934. Sales for the first eight months of 1935 amounted to $2.8 millions, compared with $2.4 millions in the same period of 1934. The last four months of the year, however, account for more than 40 per cent of the year's business. Hence, the increase for the first eight months is not necessarily a completely accurate guide to results for the 12 months.

Sell Block of Stock

Candies Investments Ltd., personal holding company of Frank P. O'Connor, president of Fanny Farmer, held 280,000 shares of the latter's stock in 1934. A. W. Porter, Inc., optioned 180,000 shares of this stock. All these options were taken up in 1935, so that Candies Investments now holds about 25 per cent of Fanny Farmer stock, and the 180,000 shares have been placed largely in the hands of investors. This has the effect of widening the market for the company's shares. The same result has been achieved by increasing the number of shares.

Capitalization—	Authorized	Outstanding
Common	400,000 shs.	*390,512 shs.

Par $1.

* Outstanding in the hands of the public. In addition the company has purchased and registered in its own name, 9,488 shares.

Dividend Record—
Dividends—Common (new): present rate 50c per share per annum, payable April, July and Oct. 1, and Dec. 31; initial dividend of 6¼c paid Dec. 31, 1934, along with a bonus of 6¼c; similar dividend and bonus paid April 1, 1935. Rate established at 50c per annum with payment of 12½c, July 1, 1935.

Head Office—Rochester, N.Y.

Officers and Directors—
Officers—F. P. O'Connor, pres. and chm.; J. D. Hayes, 1st vice-pres.; W. J. O'Connor, 2nd vice-pres.; C. P. Moher, 3rd vice-pres.; C. H. Ellston, sec.-treas.
Directors — F. P. O'Connor, J. D. Hayes, Toronto; C. H. Ellston, M. I. Farrell, J. P. Hogan, Rochester.

Earn. per Share and Div. Record—

	1934	1933	1932
Pref.: Earned*.	...	$13.98	$8.97
Paid	$1.80	2.40	2.40
Com.: Earned	†1.06	1.77	1.02
Paid	.75+.25	1.00	0.50
Paid (new)	.06¼+.06¼	...	...

* After deduction of preference stock sinking fund.

† Based on net profit and on new shares outstanding at end of year.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	463,777	164,692	1,151,230
1929	529,661	148,953	1,182,003
1930	407,809	142,906	1,324,955
1931	273,722	139,146	1,282,344
1932	189,725	86,417	1,326,095
1933	286,256	134,437	890,885
1934	547,879	167,726	568,649

Market Record—

	1935 H	1935 L	1934 H	1934 L	1933 H	1933 L
Com...	9¾	7⅝	9⅜	7	15	8½

* To Oct. 8. † New stock.

Maple Leaf Milling

Results Worse in 1934-35 But Conditions Now Better — Continued Gains in Earnings Necessary

Maple Leaf Milling Co. has been struggling with business problems arising from adverse conditions in the milling trade and with financial difficulties arising from its shortage of working capital.

Due to recent alignment of wheat prices in Canada with those in Liverpool, the situation as to competition in the export flour trade has improved greatly, to the advantage of Maple Leaf Milling Co. This augurs better things in 1935-36, provided recent conditions are maintained.

For the 1934-35 year, the company had poor results, and suffered a further loss of working capital. Some improvement has also been noted in conditions in the baking trade, in which Maple Leaf Milling has important interests, through its investments in Canada Bread Co., Canadian Bakeries, Dominion Bakeries and Eastern Bakeries.

Relief From Charges

Reorganization of Maple Leaf Milling Co. in 1934 gave a 5-year period of relief from part of bond interest charges, and defers some $2 millions of bank loans. Even with this deferment of bank liabilities, however, there was a deficiency of $728,000 in working capital at July 31, 1934. This deficiency has been increased above $800,000 in 1935.

Although the bond interest payable in cash has been reduced from 5½ per cent to 2¾ per cent annually until 1938, the half-pay was not earned in 1934-35, after depreciation. As a result, payment of the cash interest on December 1 may increase the deficiency of working capital.

Earnings Problem

Payment of half the bond interest each June 1 in the form of class A shares is deducted from earnings, but it does not result in a drain on the strained working capital position. Hence, if the company is able to earn at least 2¾ per cent on the bonds, working capital deficiency will not be increased. Before the five-year period expires, however, the company will have to earn the full 5½ per cent on its bonds, or another reorganization would be necessary

There is no prospect of any payment on the new class A preferred and class B common shares. The dividend on the class A shares becomes cumulative after Dec. 1, 1938. A major reversal in the situation in the flour milling industry will be necessary to enable the company to repair the working capital position sufficiently to allow any payment on the class A stock.

Operations and Outlook

The company handles grain, manufactures and distributes flour, and allied products, and operates bakeries. It owns five flour mills in Ontario and one in Alberta. It owns two country elevators in Western Canada and warehouses from British Columbia to New Brunswick.

The future of investments in the company depends largely upon conditions in the flour milling trade and upon the company's success in regaining the large earnings which it enjoyed prior to 1930. Unless such success is attained, there is some expectation that further modification of the company's capital obligations may be necessary.

Capitalization to be Outstanding:	Authorized	Issued
1st mtg. bonds...	$5,000,000	$4,620,500
Cl. A stk. n.p.v.	100,000 sh.	12,455 sh.
Com., n.p.v....	300,000 sh.	250,100 sh.
Management shs.	3 sh.	3 sh.

Funded Debt—
First mortgage bonds, interest for 5 yrs. to 1938 payable: 2¾ per cent in cash each Dec. 1, 2 class A shs. per $1,000 of bonds each June 1.

Dividend Record—
None paid on new stock.
Class A—Entitled to 70 cents a share annually, cumulative after Dec. 1, 1938.
Class B—Participates equally share-for-share, after 70 cents paid on A in any year.

Subsidiaries—
Canada Bread Co., Ltd.
Canadian Bakeries, Ltd.
Dominion Bakeries, Ltd.
Hedley Shaw Milling Co., Ltd.
The Campbell Flour Mills Co., Ltd.
Eastern Bakeries, Ltd.
Port Colborne and St. Lawrence Navigation Co., Ltd.

Head Office—12 Monarch Road, Toronto.

Officers and Directors—
Officers—Hon. C. A. Dunning, pres.; C. W. Band, vice-pres.; D. C. MacLachlan, gen. mgr.; G. H. Hand, sec.
Directors—Hon. C. A. Dunning, C. W. Band, R. S. Waldie, J. L. Henderson, A. C. Matthews, D. C. MacLachlan, Toronto; E. R. Decary, Montreal; E. E. Buckerfield, Vancouver; H. E. Sellers, Winnipeg.

Times Bond Interest Earned—

Yr. End. July 31	1934	1933	1932
Before depr.......	1.40	1.13	0.88
After depr.	0.78	0.54	0.34

Eight Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1927•	469,345	205,100	2,076,461
1928•	513,293	205,100	2,267,311
1929•	1,209,326	205,100	3,060,161
1930†	*2,868,551	313,648	103,886
1931†	741,571	....	639,677
1932†	265,863	....	409,090
1933†	312,930	....	229,468
1934†	369,949	....	691,350

†Consolidated. •Not consolidated.
*For 16 months.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L
Class A pref.	5	1	5	4
Common	1.30	40	1¾	1

*To Oct. 8.

Canadian Meat Exports

Canadian exports of meat during August were valued at $1,767,524, an increase of $422,242 compared with the corresponding month last year. The United Kingdom was the best customer, taking $1,495,110 worth, the U. S. next with $183,952. Bacon and hams formed the principal items of export, valued at $1,417,281.

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STOP & SHOP
FRUITS VEGETABLES

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STOP & SHOP LIMITED

St. Law. Flour

Earnings Lower in 1935 But Dividend Covered by Fair Margin

Net profits of St. Lawrence Flour Mills available for common dividends amounted to $2.91 a share for the year ended September 1 last. This was in contrast to $4.19 a share during the preceding 12 months.

In the last few years this company has effected considerable improvement in its earnings and financial position. Operations are concentrated in the domestic field, although exports are substantial. The returns of the company are less seriously affected by export conditions than in the case of other flour milling companies.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. ..... ($100 par).	$600,000	$575,000
Com. ($100 par) ...	1,200,000	1,200,000

Funded Debt—
6 per cent first mortgage sinking fund bonds, due 1941. Outstanding $62,000.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable quarterly Feb., May, Aug. and Nov. 1. Paid regularly since 1914.
Common—$2 per annum, payable quarterly, Feb., May, Aug. and Nov. 1. Increased from $1.50 to $2 per annum with payment of 50c on Nov. 1, 1934. Initial dividend of 37½c paid Nov. 1, 1932, and regularly since.

Head Office—1110 Notre Dame St. W., Montreal.

Officers — D. A. Campbell, pres.; T. Williamson, vice-pres. and man. dir.; D. M. Wilson, sec.; D. S. Thornton, treas.
Directors—C. E. Gravel, T. Williamson, J. Henri Labelle, J. J. McGill, C. H. Branchaud, G. W. Grier, Montreal; D. A. Campbell, Toronto.

Times Bond Int. Earned—

	1935	1934	1933
Before deprec. ...	52.09	37.90	26.03
After deprec.	41.81	28.90	17.95

Earn. per Share—

Pref.: Earned ...	$13.08	$15.75	$11.15
Paid	7.00	7.00	7.00
Com.: Earned ...	2.91	4.19	1.99
Paid	2.00	1.50	1.50

Seven Years Earnings—

Yr. end. Sept.:	Earnings $	Dividends $	Surplus* $
1929	139,726	40,250	307,035
1930	105,017	40,250	344,309
1931	90,268	40,250	369,846
1932	107,838	40,250	398,587
1933	115,824	58,250	404,429
1934	146,136	58,250	427,800
1935	162,064	64,250	437,903

*Subject to income tax in all years except 1934.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Com.	39½	30	45	33	58	15
Pref. ...	125	113	101½	96	100	90

*To October 8.

St. Lawrence Flour Directors Are Re-elected

From Our Own Correspondent

MONTREAL.—Directors were reelected and the financial statement for the past year was adopted at the routine annual meeting of shareholders of St. Lawrence Flour Mills Co.

The regular quarterly dividend of 50 cents a share on the common, as well as $1.75 on the preferred, for the quarter ending October 31, were declared by the directors.

Catelli

Macaroni Company Makes Use of Surplus Profits to Buy Preferred

Catelli Macaroni Products Corp. financial statement for the year ended November 30, 1935, is not expected to reveal any marked change in earning power.

Interest in the forthcoming statement centres around the point of whether or not the management have followed out the practice of the last two or three years of buying in the preferred stock. In the last three years the management have brought about a very substantial reduction in the outstanding preference stock, through purchase on the open market out of surplus earnings. Originally the company issued 60,000 shares of a par value of $30 each. At the end of the last fiscal year, the issue had been reduced to 40,000 shares.

Capitalization—	Authorized	Outstanding
Class A pref. .... Par $30.	$1,800,000	$1,200,000
Class B cum. ... No par value.	125,000 shs.	30,000 shs.

Funded Debt—
None.

Dividend Record—
Class A Preferred—Entitled to $2 per annum, cumulative, payable Mar., June, Sept. and Dec. 1; paid regularly Dec., 1928, to Sept. 1, 1930; none since.
Class B Common—None paid.

Head Office—305 Bellechasse St., Montreal.

Officers and Directors—
Officers — Aimé Geoffrion, pres.; A. Bienvenu, vice-pres.; Paul Bienvenu, man. dir.; Peirce Murphy, sec.
Directors—Aimé Geoffrion, A. Bienvenu, R. R. Dobell, W. W. Hutchinson, Alphonse Raymond, Paul Bienvenu, Henri Geoffrion, Montreal; I. Rader, Vancouver; J. Sirois, Quebec.

Earnings per Share and Dividend Record:

	1934	1933	1932
Class A: Earned† ..	$0.67	nil	$0.03
Earned‡	....	nil	nil
Paid	nil	nil	nil
Class B: Earned‡ ..	nil	nil	nil

None paid.

†Before taking participation features into account.

‡After taking participation features into account.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Class A	17	9	9½	7	10	5½
Class B	2¾	1½	2¾	1	2	1

*To Oct. 8.

Consol. Bakeries

Earnings Have Improved Consistently Since 1933 — Strongly Liquid

Consolidated Bakeries of Canada Ltd. has been having better earnings so far in 1935 than in 1934. In 1934, sales were greater than in 1933. This improving situation permitted the company to pay dividends of 45 cents a share on the common stock against 60 cents a share earned in 1934 and to pay 60 cents up to October 1, 1935, against 1935 earnings.

The company has a strong working capital position. It has no funded or banking indebtedness.

Capitalization—	Authorized	Outstanding
Mgmt. pref.* .. (No par value).	3 shares	3 shares
Common .... (No par value).	499,997 shs.	318,440 shs.

*Management shares, the holders having the right to elect the boards of directors.

Funded Debt—
None.

Dividend Record—
Dividends—$2 per annum paid quarterly from Apr. 1, 1929, to Apr. 1, 1930; $1 p.a. paid from July 1, 1930, to April 1, 1931; 12½c. paid July 1, 1932; 25c. per share paid Apr. 3, 1934; 80c. per share paid in 1935 to date.

Subsidiaries—
Northern Bakeries Ltd.—Wholly-owned subsidiary which operates the company's bakeries, consisting of:
James Strachan, Ltd., Montreal.
James M. Aird, Montreal.
Dent Harrison & Sons, Westmount, Que.
Neal Baking Co., Windsor, London, St. Thomas and Sarnia, Ont.
Ideal Bread Co., Ltd., Toronto and Hamilton.
Nasmiths, Ltd., Toronto.
Stocks Bread Ltd., Peterborough, Ont.
Norris Bros. Ltd., St. Thomas, Ont.
Palmer Baking Co., Ltd., Chatham, Ont.

Head Office—Montreal.

Officers and Directors—
Officers — J. Turnbull, pres.; R. McMullen, vice-pres. and gen. mgr.; H. O. Neale, sec.-treas.
Directors—W. A. Black, chm. of the board; R. R. Dobell, Sir Herbert Holt, G. A. Morris, J. W. McConnell, Montreal; J. F. Lash, F. K. Morrow, F. G. Osler, J. Turnbull, Toronto.
Management Shareholders — W. A. Black, F. K. Morrow and G. A. Morris.

Earnings per Share and Dividend Record—

	1934	1933	1932
Earned	$0.60	$0.29	$0.03
Paid	0.20	0.25	0.62

Six Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1929	692,625	636,404	272,376
1930	275,269	398,066	151,447
1931	367,082	318,453	184,596
1932	9,916	119,422	80,074
1933	93,928	*79,610	94,392
1934	192,724	63,789	223,426

*After depreciation and income tax.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Common	17	11¼	12¼	7	16½	2

*To Oct. 8.

Dominion Bakeries

Improvement of Revenue Insufficient to Meet Interest Charges

Dominion Bakeries, Ltd., which is not now an operating company, has shown some improvement in earnings in the past two years. Revenue has been insufficient, however, to cover depreciation and to meet interest on current debts owing to the parent firm, Maple Leaf Milling Co.

A large deficit has been accumulated, and there was a deficiency of $260,100 in working capital last year. This means that there is no prospect of payment of dividends on the preferred shares, the chief source of investment interest in the company.

Bakeries All Rented

Although control of the company is held by Maple Leaf Milling Co., through ownership of the majority of second preferred and common stock, the first preferred shares now have sole voting rights, due to nonpayment of dividends, Maple Leaf Milling Co. has been supplying management and office space free of charge, but charges interest on the accounts owed to it by Dominion Bakeries.

The company owns 15 bakeries in Ontario, all of which are rented to other bakery firms.

Capitalization—	Authorized	Outstanding
1st pref. 6½%	$2,000,000	$725,000
2nd pref. 6½% ...	250,000	210,000

Par $100.

Common	100,000 shs.	25,007 shs.

No par value.

A majority of second preferred and common stock owned by the Maple Leaf Milling Co.

Funded Debt—
None.

Dividend Record—
1st and 2nd preferred—Entitled to 6½ per cent cumulative, payable Mar., June, Sept. and Dec. 1; 1st preferred paid regularly from Dec. 1, 1928, to Sept. 1, 1930, none since; 2nd preferred, cumulative from Mar. 1, 1930, none paid.
Common—None paid.

Head Office—Toronto.

Officers and Directors—
Officers—C. W. Band, pres. and gen. mgr.; G. A. Scrimger, sec.-treas.
Directors—G. A. Mackey, C. W. Band, D. C. MacLachlan, C. S. Band, R. S. Waldie, Major A. E. Nash, Toronto; A. F. Culver, Montreal.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	90,378	37,375	38,055
1930	31,842	47,125	5,795
1931	*57,375	......	†110,822
1932	*91,740	......	†300,971
1933	*12,918	......	673,414
1934	9,351	......	658,340

*Loss. †Deficit.

Canada Starch Co.

Pays Preferred Dividends Regularly — Issues No Earnings Statement

Canada Starch Co. Ltd., is a consolidation of Edwardsburg Starch Co., Brantford Starch Works and plant and trademarks of Imperial Starch Company. It has plants at Cardinal and Fort William, Ontario, while the head office is at Montreal.

It issues no earnings statement but has been paying preferred dividends regularly.

Capitalization—	Authorized	Outstanding
Pref. 7%	$3,250,000	$3,069,100
Common	1,250,000	1,186,500

Par $100.

Dividend Record—
Preferred—7 per cent, non-cumulative, payable Feb. and Aug. 15; paid 1907 to 1921 inclusive, none till Feb., 1928, regularly since.
Common—None paid.

Head Office—Montreal.

Officers and Directors—
Officers—G. F. Benson, pres.; J. J. Warren, 1st vice-pres.; W. B. Blackader, 2nd vice-pres.; B. S. R. Watson, sec.-treas.
Directors—G. F. Benson, W. B. Blackader, Hugh MacKay, G. F. Benson, Jr., J. H. Hunter, E. B. Hosmer, B. S. R. Watson, Montreal; J. J. Warren, A. C. Matthews, Toronto.

Canadian Bakeries

Earnings Show Definite Improvement for 1934-35 Year

Canadian Bakeries Ltd. had a marked improvement in earnings in the year ended Aug. 31, 1935. But it has been doing poorly since 1929.

Although the annual appropriation for depreciation has been reduced, the company has been unable to cover bond interest, after deducting this charge. Earnings on the first preferred stock have been nil, and there are no prospects of dividends being paid.

Operates in West

The company operates a chain of bakeries in British Columbia, Alberta and Saskatchewan. It is controlled by Maple Leaf Milling Co. Payment of bond interest which had not been earned reduced working capital to $216,453 last year. This, however, is not considered an unsatisfactory amount, especially since earnings have been recovering.

Capitalization—	Authorized	Outstanding
1st pref. 7% cum.	$1,000,000	$ 913,000
2nd pref. 7% cum.	1,000,000	1,000,000

Par $100.

Common A	20,000 shs.	20,000 shs.
Common B*	20,000 shs.	nil

No par value.

*Authorized for conversion of 2nd pref.

Funded Debt—
6½ per cent first mortgage sinking fund bonds, due 1945, outstanding $694,800.

Dividend Record—
First and second preferred: Entitled to 7% cumulative, payable 15th Mar., June, Sept. and Dec. First preferred, paid regularly from 1925 to Mar., 1931; reduced to $4 with payment of $1 June 15, 1931; passed Dec. 15, 1931, and since. 2nd preferred paid regularly to Sept. 15, 1930; none since.
Common: None paid.

Head Office—Calgary.

Officers and Directors—
Officers—C. W. Band, pres.; R. W. Ward, vice-pres. and gen. mgr.; D. A. Ross,. sec.-treas.
Directors—C. W. Band, F. J. Coombs, R. S. Waldie, Toronto; John Burns, R. W. Ward, Calgary; E. Buckerfield, Vancouver; H. M. E. Evans, Edmonton, J. R. Murray, Winnipeg.

Times Bond Interest Earned—

Yr. end. Aug. 31:	1934	1933
Before deprec.	0.72	0.95

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	434,446	138,425	113,612
1929	535,620	137,725	234,784
1930	192,934	137,025	74,422
1931	116,524	52,050	822
1932	59,647	......	10,260
1933	42,238	......	*28,396
1934	30,867	......	*101,064

*Deficit.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Class A ..	1	1	4	2½	2½	2
1st pref. .	20	14½	19	9	11	5

*To Oct. 8.

Nat. Biscuit & Con.

British Columbia Concern Earns Bond Interest

National Biscuit & Confection Co., Vancouver, B.C., manufactures and distributes plain and fancy biscuits and confections. The company has been in operation since 1910 and showed a profit and loss credit balance of $20,400 at the end of 1934. In that year the company covered bond interest and depreciation.

Capitalization—	Authorized	Outstanding
Preferred	$75,000	$58,900
Common	25,000	25,000

Par $100.

Funded Debt—
1st mtge. 6½ per cent bonds, due 1950, outstanding $160,000.

Head Office—Vancouver.

Officers and Directors—
Officers—L. H. Nicholson, pres. and man. dir.; E. R. McDermid, vice-pres.; Arnold Shiell, sec.-treas.; H. S. Wilders, sales mgr.
Directors — L. H. Nicholson, Arnold Shiell, H. S. Wilders, E. B. McDermid, A. R. Fanning, T. G. Beattie, all of Vancouver.

Earnings—
Net operating profit for year ended Dec. 31, 1933, after provision for bad debts, $30,963; bond interest, $10,400; sinking fund depreciation, $5,000; other depreciation, $4,175; reserves for taxes, $1,104; surplus for year, $15; previous surplus, $15,355; surplus carried forward, $15,370; surplus carried forward into 1935, $20,400.

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Lake of Woods

Moderate Decline in Profits Expected — Dividend Unlikely as Policy of Building Up Working Capital Continued

Lake of the Woods Millings Co.'s financial statement for the year ended August 31 last is not expected to make as good a showing as for the preceding year. In the 1934 fiscal year the company earned nearly $27 a share on its preferred stock, but no dividends were paid as the directors are following the policy of building up working capital.

In the past Lake of the Woods has experienced some heavy losses in connection with baking subsidiaries, but milling operations have been more productive of income lately. The company received in the last fiscal year about $14,000 in dividends from Inter-City Baking Co.

Varying Influences at Work

The export flour marketing situation has not been favorable, and while the domestic demand has been relatively well maintained, prices have been low

Lake of the Woods' last balance sheet shows bank loans of nearly $3 millions. It is anticipated that the 1935 report will show a further reduction in borrowings.

While there has been talk of a resumption of dividends on the company's preferred shares, it is unlikely that the management will take any steps to restore the stock to a paying basis at this time.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum. ...	$1,500,000	$1,500,000
Par $100. Non-redeemable.		
Common	200,000 shs.	147,689 shs.
No par value.		

Funded Debt—
1st mtge. bonds, 6 per cent, due 1941, outstanding †$4,000,000.
†Held by banks as collateral for loans.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable, Mar., June Sept. and Dec. 1. Paid regularly to and including Sept. 1, 1931; passed Dec. 1, 1931; none since.
Common—None at present. Formerly $3.20 per annum, payable Mar., June, Sept. and Dec. 1 Dividends were paid each year from 1904 to Dec. 1, 1930; none since.

Subsidiaries—(Wholly-owned).
Keewatin Flour Mills Co.
Medicine Hat Milling Co.
Sunset Manufacturing Co.—Winnipeg.
Dominion Flour Mills Co.—Montreal and Brantford.
Inter City Baking Co., Ltd.
Inter City Western Bakeries, Ltd.

Head Office—St. John St., Montreal.

Officers and Directors—
Officers—F. S. Meighen, pres. and man. dir.; Hugh MacKay, vice-pres.; C. H. G. Short, gen. mgr.; D. A. MacInnes, sec.; A. C. McMillan, treas.; R. R. Hutchison, asst. treas.
Directors—F. S. Meighen, R. W. Reford, Walter Molson, Hugh MacKay, Rt. Hon. Lord Shaughnessy, P. F. Sise, J. W. Pyke, Hon. Rodolphe Lemieux, Montreal; N. J. Breen, I. Pitblado, G. W. Allan, Winnipeg; J. W. Hobbs, Toronto.

Earnings per Share and Div. Record—
Years ended Aug. 31:

	1934	1933	1932
Pref. Earned	$26.82	$20.06	$7.42
Paid	nil	nil	nil
Com.: Earned	*2.01	*1.32	*0.043
Paid	nil	nil	nil

*After allowing for full year's preferred dividend but before deducting preferred arrears.

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1928	689,588	505,267	793,522
1929	906,941	572,532	1,000,518
1930	188,412	576,570	536,450
1931	†935,468	223,151	536,353
1932	511,726	......	604,888
1933	636,438	......	905,586
1934	803,261	......	1,307,957

†Deficit. *After deduction of all operating expenses, provision for doubtful accounts and income tax.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Common	13½	7	15	9⅞	18½	5
Pref. ..	101	80	73	56	70	30

*To Oct. 8.

Inter-City Western

Reorganization Awaits Change for Better in Western Conditions

Inter-City Western Bakeries, a subsidiary of Lake of the Woods Milling Co., continues in bankruptcy with the bondholders' protective committee in charge. This committee has made progress in bringing about a more economical operation and in consolidating plant activities. The betterment made along these lines, while encouraging, has been on a moderate scale.

During the 1935 fiscal year Inter-City Western Bakeries reported an operating profit of $58,947. While this was a slight improvement over that reported in the previous twelve months, yet it was inadequate to meet the senior charges. The total deficit on last year's operations, including provision for unpaid bond interest, was $120,490, or practically the same as in the 1934 fiscal year.

Until buying power in Western Canada improves, there is not much that can be done in the way of bettering the company's position. Many problems remain to be worked out and until the company is in a stronger position, there does not appear to be any advantage in a reorganization.

Capitalization—

	Authorized	Outstanding
Pref. cum. conv. ..	$390,000	$390,000
Par $10.		
Common	200,000 shs.	*130,000 shs.
No par value.		

*Over 88 per cent owned by Lake of the Woods Milling Co. On Jan. 31, 1934, bondholders' protective committee obtained an irrevocable two-year proxy from Lake of the Woods Milling Co., covering their controlling stock interest.

Funded Debt—
6½ per cent 1st mtge. S. F. bonds, series A, due 1950, outstanding $1,456,200. Interest in default from May 1, 1933.

Dividend Record—
Preferred—6 per cent per share per annum, cumulative from May 1, 1930, payable half-yearly, May and Nov. 1. None paid to date.
Common—None paid to date.

Head Office—666 Elgin Ave., Winnipeg.

Officers and Directors—
Officers—Hugh Mackay, pres.; W. R. Aird, vice-pres.; W. Ross Grant, C.A., sec.-treas. and act. gen. mgr.; J. A. Weldon, C.A., asst. sec.-treas.
Directors—Thomas Cull, J. B. Faulkner, Winnipeg; Hugh Mackay, M. A. Thomson, W. C. Pitfield, Montreal.

Times Bond Interest Earned—

	Feb. 2	Jan. 27	Jan. 28
Years ended:	1935	1934	1933
After other int. & before deprec. ..	0.27	0.27	*0.42
After other int. & after deprec. ...	nil	nil	nil

*Bond interest including U. S. exchange.

Earnings per Share and Dividend Record—
Pref. & Com.: None earned or Paid.

Five Years Earnings—
Years ended Jan. 31:

Year	Earnings $	Dividends $	Deficit $
1931	105,299	......	54,334
1932	86,819	......	121,905
1933	47,567	......	257,237
1934	25,541	......	374,017
1935	25,963	......	494,507

Canada and Canned Goods

Up to 1930 Canada was a net importer of canned vegetables but since that year has become a net exporter to an increasing extent, the exports in 1934 being higher than in any year since 1929 when shipments of tomato products to the United States (where the pack was short) were exceptionally heavy.

Inter-City Baking

Interim Dividend of $1 Taken to Indicate Betterment in Position

Inter-City Baking Co., controlled by Lake of the Woods Milling Co., restored its common stock to a dividend paying basis, with an interim distribution of $1 a share last August. The last previous dividend was $2 a share on March 25, 1932.

Earning power recorded a drop between 1932 and 1933 of about one third. Since then there has been a steady increase, with the result that the net profits available for dividends for the fiscal year ended Jan. 31, 1935, totalled $56,251, equivalent to $2.66 a share on the outstanding common stock.

Not Regular Dividend

Directors cautioned the shareholders not to consider the current payment as placing the stock on a regular dividend basis. Decision to make the payment was based on the fact that the company's business had been well maintained and its cash position permitted the distribution.

Inter-City Baking, through its subsidiaries, owns and operates four bakeries, one each in Toronto and Ottawa and two in Montreal, having a combined capacity of 100,000 loaves of bread and 2,500 pounds of cake daily.

Capitalization—

	Authorized	Outstanding
Common	$4,000,000	$2,114,500
Par $100.		

Funded Debt—
First mortgage, series A, 5½ per cent, due 1948; outstanding $1,481,500.

Dividend Record—
Common—None at present. Initial dividend of 4 per cent paid Mar., 1929. A similar amount paid Mar., 1930. then semi-annually about Aug. 25 and Mar. 31, at the rate of 4 per cent per annum to and including Mar., 1932; since passed.

Subsidiaries—(Wholly-owned)—
Brown's Bread Ltd. — West Toronto, North Toronto, and Hamilton.
Standard Bread Co., Ltd.—Ottawa.
Shouldis Bread Co., Ltd.—Ottawa.
Standard Bread (Montreal) Ltd.
A. & L. Strachan Ltd.—Montreal.

Head Office—460 St. John St., Montreal.

Officers and Directors—
Officers— F. S. Meighen, pres.; J. W. Pyke, vice-pres.; C. H. G. Short, gen. mgr.; R. R. Hutchinson, sec.-treas.; D. A. MacInnes, asst. sec.-treas.
Directors—F. S./Meighen, Hugh MacKay, C. H. G. Short, D. A. MacInnes, R. W. Reford, J. W. Pkye, Montreal; R. G. Cowan, Toronto, C. W. Cotter, Ottawa.

Times Interest Earned—

Year end. Jan. 31:	1935	1934	1933
Before deprec.	2.90	2.60	2.45
After deprec.	1.68	1.39	1.29

Earnings per Share and Dividend Record—

Com.: Earned	$2.66	$1.54	nil
Paid	nil	nil	nil

Six Years Earnings—
Year end. Jan. 31:

Year	*Earnings $	Dividends $	Surplus $
1930	287,575	85,180	79,355
1931	316,254	85,180	122,429
1932	331,643	85,180	125,212
1933	210,331	......	105,260
1934	216,472	......	137,782
1935	232,729	......	197,732

*After deducting all expenses of operation, and providing for doubtful debts and income tax.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Common	20½	17	17¼	14	18	17

*To Oct. 8.

N. B. Potato Shipments

New Brunswick seed potato shipments to Cuba, now started, will likely run to last year's total of 100,000 barrels, in the opinion of Hon. F. W. Pirie, Minister of Lands and Mines.

"The Modern Trend in Merchandising"

PYRAMID
Transparent Bags

Pyramid Bags made from "Cellophane"—an unbeatable combination

Distributed by
MacGregor Paper & Bag Co. Inc.
Montreal—Quebec City—Saint John—Halifax
W. J. Bell Paper Co. Limited
TORONTO

Also Grocery Bags—Glassine Bags—Confectionery Bags and Bakers Bags

Canada Bread

Leading Bakery Concern Revises Capital — Earnings Improving

Canada Bread Co. has just concluded a major recapitalization programme whereby it has reduced valuations of its capital assets and has changed the character of its stock.

The former 7 per cent non-cumulative preferred stock has become a five per cent cumulative stock. The B or second preferred 7 per cent stock of $100 par value has also become cumulative at 5 per cent, but the par value is reduced from $100 to $50. There are still 200,000 shares of common stock, most of it held by Maple Leaf Milling Co.

The company reported higher earnings than for years in the year ended June 30, 1935, and it is expected that it will soon be in a position to resume regular payment of dividends on the first preferred 5 per cent stock.

The company has been effecting various economies. For instance, it has concentrated operations of three plants in Montreal in one plant. It has turned over the Danforth Avenue plant to the making of cakes because that business is improving. Improvement in profits is reported from various Ontario plants though losses are at the moment being shown in Winnipeg, where a cut price campaign has been inaugurated by chain stores which put in bread as loss leaders.

Capitalization—

	Authorized	Outstanding
Common (n.p.v.)	200,000 sh.	200,000 sh.
1st pref. 5%	$1,250,000	$1,250,000
2nd pref. 5%	$1,250,000	1,250,000

Par $100 for 1st preferred while 2nd or B preferred is of $50 par. Majority of the common stock is held by Maple Leaf Milling Co.

Funded Debt—
6 per cent first mortgage sinking fund bonds, due 1941, outstanding $940,400.

Dividend Record—
1st Preferred: Entitled to 5 per cent cumulative, payable Jan., Apr., July and Oct. 1; paid regularly at 7 per cent from 1912 to Jan. 1, 1933; $1 paid Apr. 1, 1933; 75c. paid June 30, 1933; $1.75 paid Aug. 15, 1933. Payment due Oct. 1, 1933, deferred. Interim payment Oct. 1, 1935, while stock is being changed to 5 per cent basis.
2nd Preferred: Entitled to 5 per cent cumulative, paid at 7 per cent rate same dates as 1st preferred from 1926 to July 1, 1931; payment deferred Oct. 1, 1933; 50c. paid Dec. 1, 1931, and March, June and Sept. 1, 1932; none since.
Common: None at present; reduced from 75c. to 50c. per annum March 1, 1931; none since.

Head Office—224 Davenport Rd., Toronto.

Officers and Directors—
Officers—C. H. Carlisle, pres.; J. H. McConnell, 1st vice-pres.; C. W. Band, 2nd vice-pres.; A. G. Walwyn, W. S. Antliff, asst. gen. mgr. and sec.-treas.; L. F. Enright, asst. sec.-treas.
Directors—‡C. H. Carlisle, *J. H. McConnell, ‡C. W. Band, *A. G. Walwyn, †A. W. Holmested, K.C.; *C. B. Shields, ‡R. S. Waldie, all of Toronto.
*Representing 1st pref. shareholders.
†Representing 2nd pref. shareholders.
‡Representing common shareholders.

Earnings per Share and Div. Record:
(Years ended June 30)

	1935	1934	1933
1st pref.: Earn.	$4.47	nil	...
Paid	nil	nil	$7.00
2nd pref.: Earn.	nil	nil	nil
Earned	nil	nil	nil
Paid	nil	nil	0.50
Com.: Earned.	...	...	...
Earned	...	...	...
Paid	...	...	...

Seven Years Earnings—

	*Earnings	Dividends	Surplus
1929	952,032	412,500	1,987,249
1930	701,922	412,500	2,004,075
1931	467,956	387,500	1,821,750
1932	451,763	125,000	1,642,981
1933	257,182	100,000	1,539,896
1934	245,533	....	1,615,190
1935	291,092	....	79,747

†After income tax.
*After bond interest.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Com.	5¼	2	5⅛	2	9¼	1¼
Pref. A	92	63	50	23	75	30
Pref. B	130	17	15	8	31	8

* To Oct. 8.

W. Canada Flour

Dividends Suspended Due to Poor 1934-35 Year —

Western Canada Flour Mills Co. had unsatisfactory earnings in the year ended August 31, 1935.

Major detriment was that the price of wheat in Canada was above the relative prices of foreign wheat in Liverpool during the 1934-35 year. This put the cost of material at a level which placed the company at a disadvantage in export competition. There was also severe competition in the Canadian flour market.

Dividends on the preferred shares were suspended entirely, early in 1935, owing largely to unsatisfactory earnings. For the moment, at least, the outlook for the company in 1935-36 is considered better. Results, however, will depend largely upon relative prices of wheat in Canada and Liverpool. The company's earning power is potentially strong, given normal export conditions. The balance sheet position is not unsatisfactory.

The company's investment in baking companies is considered the least favorable item in the balance sheet. The company's flour and milling business has been more satisfactory, despite the unusually adverse conditions in the trade.

Capitalization—

	Authorized	Outstanding
Common	150,000 shs.	135,000 shs.
No par value.		
Pref. 6½% cum. ..	$3,000,000	$2,413,000
$100 par.		

Funded Debt—
None.

Dividend Record—
Preferred—None at present. Entitled to 6½% cumulative, payable Mar., June, Sept. and Dec. 15, paid regularly to Dec. 15, 1932; reduced to 3% from Mar., 1933, to Mar., 1935; none since.
Common—None at present. Dividends paid on common from 1906 to 1931. Rate was $1.40 per annum quarterly from 1926 to Mar. 15, 1931; none since.

Subsidiaries—
(Entire capital stock owned)
The Brackman-Ker Milling Co., Ltd.
Purity Flour Mills, Ltd.
Purity Baking Company, Ltd.
The Dominion Salt Co.

Head Office—293 Macpherson Ave., Toronto.

Earnings per Share and Dividend Record:

	1934	1933	1932
Pref.: Earned	$6.13	$4.73	*$5.67
Paid	3.00	3.87½	6.50
Com.: Earned ...	nil	nil	nil
Paid	nil	nil	nil

*After taking into consideration transfer from general reserve.

Officers and Directors—
Officers—D. B. Hanna, pres.; A. J. Mitchell, vice-pres.; R. G. O. Thomson, sec.; J. J. Page, gen. mgr.; J. H. Horn, asst. gen. mgr.
Directors—D. B. Hanna, A. J. Mitchell, Sir John Aird, R. G. O. Thomson, J. J. Page, J. H. Gundy, Toronto; Hon. G. H. Barnard, R. H. B. Ker, Victoria; J. Davidson, London, Eng.

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1928	409,397	301,750	820,981
1929	556,352	321,722	1,005,612
1930	221,416	321,893	905,135
1931	175,431	252,249	828,317
1932	136,885	156,845	808,357
1933	114,308	93,504	829,161
1934	147,996	72,390	904,767

*After depreciation, income tax and reserve for doubtful accounts, etc.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Com. ..	6	2¾	8½	6	18	4
Pref. ..	52	20	62	48	70	45

*To Oct. 8.

Can. Vinegars

Installing New Equipment to Make Vinegar by German Process

Earnings of Canada Vinegars on 92,000 no par value common shares outstanding in 1934 amounted to $1.62 a share whereas the dividend is $1.60. Earnings ever since the company was incorporated in 1928 have been on a remarkably steady basis being sufficient to pay the dividends on the common but not so much more that it is likely to encourage the idea that this is a profitable market for other companies to get into.

The company has a strong working capital position. It has no funded debt and owes the banks nothing.

The company operates 13 plants at Toronto, Hamilton, Norwich, Owen Sound, Kingston, Montreal, Quebec, Winnipeg, Calgary and Vancouver, with distributing warehouses at Chicago and New York.

It is a consolidation of six vinegar companies in 1898, six additional companies added in 1925 and three plants in 1928.

The company's working capital was somewhat lower in 1935 and 1934 than previously because it has been spending $130,000 on new equipment for its plants. This is because it has secured the Canadian rights for the manufacture of Vinegar under a new German method.

Capitalization—

	Authorized	Outstanding
Common	100,000 shs.	92,000 shs.
No par value.		

Dividend Record—
Common — $1.60 per annum, payable quarterly, Dec., Mar., June and Sept. 1. Initial dividend of 40 cents paid Sept., 1928, and regularly since.

Subsidiaries—
Western Vinegars Ltd.—Operates western plants of parent company in Winnipeg (2), Calgary, Edmonton and Vancouver. Capital Stock: pref. 7 per cent redeemable, cumulative, authorized $500,000, issued $311,600, $100 par; common, 15,000 n.p.v. shares authorized and issued, 98 per cent of common and all but 250 shares of preferred owned by parent company.
The Lion Vinegar Co. Ltd.—Operates plants in Quebec province, two in Montreal and one in Quebec City. Entire capital stock owned by parent company.

Head Office—112 Duke St., Toronto.

Officers and Directors—
Officers—C. L. Carsley, pres.; A. L. Spalding, vice-pres. and gen. mgr.; E. S. Scott, asst. gen. mgr.; E. A. Isard, supervisor of factories; F. H. Yapp, hon. sec.; Percy L. Howell, sec.-treas.
Directors — A. L. Spalding, P. W. Powell, W. E. Young, E. S. Scott, Toronto; C. L. Carsley, A. E. Mansfield, Montreal; E. A. Isard, F. H. Yapp, Hamilton; E. L. Isard, Winnipeg; E. W. Howell, C. Fry, Norwich, Ont.

Earn. per Share and Div. Record—

	1934	1933	1932
Com.: Earned	$1.62	$1.73	$1.65
Paid	1.60	1.60	1.60

Six Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1929	249,363	147,200	158,285
1930	232,588	147,200	178,988
1931	251,390	147,200	200,463
1932	233,150	147,200	204,960
1933	249,494	147,200	217,304
1934	243,548	147,200	219,520

*After all costs of operation, management, selling and office overhead expenses.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Common	29	24	27¼	21½	26	13½

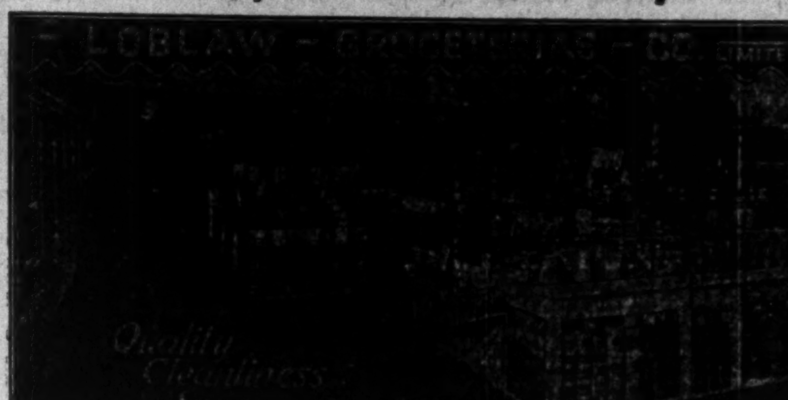
*To Oct. 8.

Trinidad Imports

Canada provides the bulk of the cheese, oats, motor tires, tubes, nails, silk hosiery and hay imported into Trinidad. B.W.I.

By Maintaining Their High Quality Standards
LOBLAWS
Have Become an Integral Part of Every Shopping District, Serving
300,000 Customers Weekly

110
Groceterias
36
of which
are
Complete
Modern
MARKETS



LOBLAWS
are noted
for
Freshness
Variety
Cleanliness
Quality
and
Consistently
Low
Prices.

LOBLAW
Groceteria - Markets

SILVERWOOD'S DAIRIES LIMITED (and 25 Subsidiaries)

Consolidated Balance Sheet

As at 30th March, 1935

ASSETS

Cash on Hand and in sundry banks	$ 41,242.75		
Cash in hands of Buyers and Branches	8,694.16	$ 49,936.91	
Accounts and Notes Receivable less Reserves		232,825.22	
Inventories—(including Stores and Supplies) as determined and certified by the Management and valued at the lower of cost or market		238,868.23	
Life Insurance—Cash Surrender less Loans on Policies		12,961.35	
Mortgages Receivable and Sundry Investments		4,377.57	$ 538,969.28
Sundry Debtors less Reserves			4,177.16
Capital Assets—At Replacement Values as appraised in 1930 to 1933 with subsequent additions at cost:			
Land		$ 313,814.50	
Buildings	$ 1,833,913.80		
Machinery and Equipment	1,695,737.36		
Containers and Other Floating Equipment	252,556.91		
Bottles in Trade	19,985.20		
Iceless Cabinets	929,701.88		
Trucks and Automobiles	228,245.39		
Horses	43,387.35		
Wagons and Stable Equipment	110,796.55		
Office, Store and Branch Equipment	93,435.97	5,207,761.41	5,521,575.91
Prepaid Expenses			56,782.08
Milk Routes, purchase and expansion of		$ 439,806.94	
Cream Top Bottle Patent License, less amounts written off		60,000.00	
Organization Expenses		20,885.00	
Discount on Debentures		13,325.50	
Cost of Shares in certain Subsidiary Companies in excess of book values and later appraisal adjustments		475,997.47	1,010,014.91
			$ 7,131,519.34

LIABILITIES

Company's Bankers (Secured)		$ 97,656.59	
Accounts and Notes Payable and accrued charges (Secured $11,323.70)		191,207.40	
Amounts due to Associated Company (Shareholder)		11,150.00	
Accounts Payable Milk and Cream Patrons		110,846.40	
Reserve for Dominion Income and Provincial Corporation Taxes		29,668.50	
Interest Accrued on Bonds, Mortgages, Debentures and Stock Subscriptions		20,687.31	
		$ 461,216.20	
Bank of Montreal—Special Loan		115,000.00	$ 576,216.20
Deferred Accounts Payable			18,712.42
Mortgages Payable		$ 162,975.00	
Mortgage Bonds of Subsidiary Companies	$ 295,300.00		
Of which owned by the Company and lodged with bankers as collateral .... (Sinking Fund Payment in Arrears, $22,325.82)	113,200.00	182,100.00	345,075.00
Amounts received from Milk Producers on Class "A" Stock Subscriptions subject to return during period of stock plan at subscribers' option on discontinuance of connection with Company		$ 5,013.25	
Minority Shareholders' Interest in Subsidiary Companies		1,544.00	6,557.25
Reserve for Depreciation of Plant, Buildings and Other Capital Assets			2,096,394.60
6% Convertible Collateral Trust Sinking Fund Debentures Authorized $5,000,000.00			
Series "A" due 15th May 1942, certified by the Trustees..		$ 750,000.00	
Less: Held by the Company unissued	$ 51,300.00		
Turned in to the Trustees for Sinking Fund	97,400.00		
Owned by a Subsidiary and pledged as collateral	50,000.00	198,700.00	
In hands of public		$ 551,300.00	
Instalments received on deferred payment subscriptions......		33,402.17	584,702.17
Series "B" $500,000 of Bonds have been authorized but as yet have not been certified or issued.			
Capital:			
Silverwood's Dairies, Limited:			
7% Cumulative Redeemable Convertible Preference Shares of $100 each—			
Authorized	$ 5,000,000.00		
Outstanding—29,135 Shares .... (Dividends in arrears 7¾%)		$2,913,500.00	
6% Cumulative Redeemable Convertible Preference Shares of $100 each—			
Authorized	5,000,000.00		
Issued	Nil		
Non-Voting Fully Participating Class "A" Shares of No Par Value—			
Authorized 975,000 Shares			
Issued or to be issued, 151,390 Shares		588,810.50	
Common Shares of No Par Value:			
Authorized and issued, 25,000 Shares		1.00	
		$ 3,502,311.50	
Consolidated Surplus		1,550.20	3,503,861.70
Contingent Liabilities:			
Guarantee given by a Subsidiary Company in connection with the performance of certain contracts for purchase of 13,250 Class "A" Shares for $265,000 during years 1936-1942.			
			$ 7,131,519.34

Consolidated Trading and Profit and Loss Account

FOR THE YEAR ENDING 30th MARCH 1935

Sales including Inter-Company Sales		$7,164,305.02
Less: Cost of Materials	$ 4,266,010.99	
Productive Wages and Direct Expenses	1,860,999.55	6,127,010.54
Gross Profit on Sales		$ 1,037,294.48
Iceless Cabinet Rentals and other Income		66,071.28
Gross Trading Profit		$ 1,103,365.76
Less: Management Fee, Administrative and Indirect Expenses		583,453.79
		$ 519,911.97
Less: Amortization of Patent License	$ 10,000.00	
Interest on Debentures, Mortgages and Purchase Agreement	68,957.93	
Provision for Depreciation	252,986.09	
Provision for Dominion Income Tax	32,151.68	
Provision for Provincial Corporation Taxes	7,454.94	371,550.64
Net Profit for year		$ 148,361.33

Consolidated Surplus Account

FOR THE YEAR ENDING 30th MARCH 1935

Balance at credit 31st March 1934		$ 5,154.99
Net Profits for year ending 30th March, 1935 after providing for Depreciation, Dominion Income Taxes and Provincial Corporation Taxes ..		148,361.33
		$ 153,516.32
Less: Adjustment re capital assets disposed of, etc., and sundry adjustments re prior years	$ 67,326.57	
Refunds to Silverwood Securities Limited as set forth in the auditors' report attached	63,000.00	
	$ 130,326.57	
Less: Special Reserves previously provided	65,769.45	64,557.12
		$ 88,959.20
Dividends:		
On Preference Shares—three quarterly dividends of 1% each	$ 87,405.00	
Paid by Subsidiary Companies to Minority Shareholders	4.00	87,409.00
Surplus 30th March 1935		$ 1,550.20

AUDITORS' REPORT TO SHAREHOLDERS

Annexed is a Consolidated Balance Sheet of Silverwood's Dairies, Limited, and its twenty-five subsidiaries as at 30th March 1935. We have examined the Balance Sheet of Silverwood's Dairies, Limited, and two of its subsidiaries (Silverwood's Limited and Silverwood's Toronto Dairy Limited) and we have also made a general examination of the Balance Sheets and supporting data of the other twenty-three subsidiaries as prepared by the Company's Internal Audit Department and subject thereto we report that in our opinion the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of Silverwood's Dairies, Limited, and its twenty-five subsidiary companies as at 30th March 1935.

In the above Statement effect has been given to the following cancellations and refunds in favor of Silverwood's Securities Limited, A. E. Silverwood & Company Limited and/or A. E. Silverwood, all as authorized by the shareholders at the annual general meeting held on 22nd August 1935;

(a) The cancellation of guarantees given in respect of dividends receivable from certain subsidiaries and on which guarantees $128,459.23 remained unpaid but which sum had not been taken into the Company's earnings;

(b) The refund of $63,000 for amount paid to your Company in 1932 in error in respect of certain dividends of subsidiaries, $28,000, and for a portion of the Head Office expenses for 1930 charged to A. E. Silverwood as authorized by him, $35,000;

(c) The reimbursement of $10,885 to Silverwood Securities Limited being the cost of charter and legal fees, re the incorporation of Silverwood's Dairies, Limited, paid originally by A. E. Silverwood or Silverwood Securities Limited.

(d) Claims for stock transfer taxes on transactions relative to the acquisition of subsidiaries and on shares of your Company marketed by Silverwood Securities Limited and A. E. Silverwood & Company Limited, $9,500.

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH,
Chartered Accountants.

Toronto, 29th August 1935.

Dominion Stores

Programme of Rehabilitation Effected—Non-recurring Charges Cut Surplus But Leave Position Strong

Dominion Stores is in a period of transformation, and is at present paying no dividends on its shares.

Earnings on the common practically disappeared in 1934, and substantial write-off and rehabilitation of stores has reduced surplus in 1935. Sales this year have been persistently lower than those for 1934, but there has recently been diminution of the percentage declines of sales.

Despite reduced sales, and the fact that profits may be absent in 1935, the company's working capital is being well maintained, and may show an increase at the end of the year. At mid-year, cash and call loans had increased by $365,640, to approximately $1.9 millions. At June 15, 1935, earned surplus had been reduced to $379,000 from $749,000 at the end of 1934. This was partly due to charging of depreciation, cost of renovation of stores and equipment, and to liberal write-offs.

Programme of Rebuilding

For two or three years preceding 1934, the company had reduced expenditures on improvements to stores to a minimum. The effects were found adverse, and a programme of renovation and modernization has been in progress. Most of this has been completed, but has resulted in charging substantial non-recurring expenses against operations. In appearance and atmosphere stores have been greatly improved. Excessive inventories have been liquidated. Due to the diminution of sales decreases and to non-recurrence of renovation charges, the latter half of 1935 is expected to prove a more satisfactory period.

Dividends Outlook

The programme of rehabilitation has included a thorough housecleaning of stores and installation of a system of coding merchandise. Educational work has been done to improve operating standards of managers of stores and clerks. Aggressive advertising is being used.

As a result of the efforts to restore the company's former high earning power some improvement is expected in 1936. Dividends cannot be expected for this year. If the rebuilding of earnings has the favorable results anticipated, however, the company's financial position would allow payments from any profits that are made.

Capitalization—

	Authorized	Outstanding
Common	1,000,000 shs.	282,382 shs.
(No par value).		
Pref. 6½%	$5,000,000	None
(Par $100).		

Funded Debt—
None.

Dividend Record—
Common — None at present. Formerly $1.20 per share per annum, paid regularly July, 1929 to Jan. 2, 1935; 2 per cent stock bonus paid June, 1930; 30c. cash extra paid Jan. 2, 1932.

Head Office—Toronto.

Officers and Directors—
Officers—Morley Smith, pres.; E. G. Wills, vice-pres.; W. F. Stewart, sec.-treas.; J. C. Kemp, Montreal mgr.; F. R. Paget, sec. and asst. Toronto mgr.; C. F. Hatton, treas.; A. J. Cox, asst. sec.; A. A. Beevor, asst. treas.
Directors—W. S. Kies, chairman, New York; Morley Smith, E. G. Wills, W. F. Stewart, R. R. Corson, Toronto; John B. Jameson, R. C. Murchie, Concord, N.H.; G. S. Armstrong, L. L. Vivian, New York; Dr. C. W. Colby, R. O. Johnston, J. C. Kemp, Montreal.

Earnings per Share and Dividend Record—

	1934	1933	1932
Com.: Earned	$0.06	$1.20	$1.28
Paid	1.20	1.20	1.20

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	598,819	266,062	1,113,996
1929	494,250	313,076	1,071,149
1930	601,263	335,436	1,267,003
1931	630,967	419,413	1,201,049
1932	497,033	338,858	1,113,623
1933	504,325	338,858	1,077,276
1934	174,522	338,858	749,510

Sales to Sept. 7:	1935 $	1934 $	Decr. $
36 weeks	12,039,108	13,199,058	1,159,950

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Com.	12½	6⅝	23	11	27½	12⅞

*To Oct. 8.

Regal Barley Popular

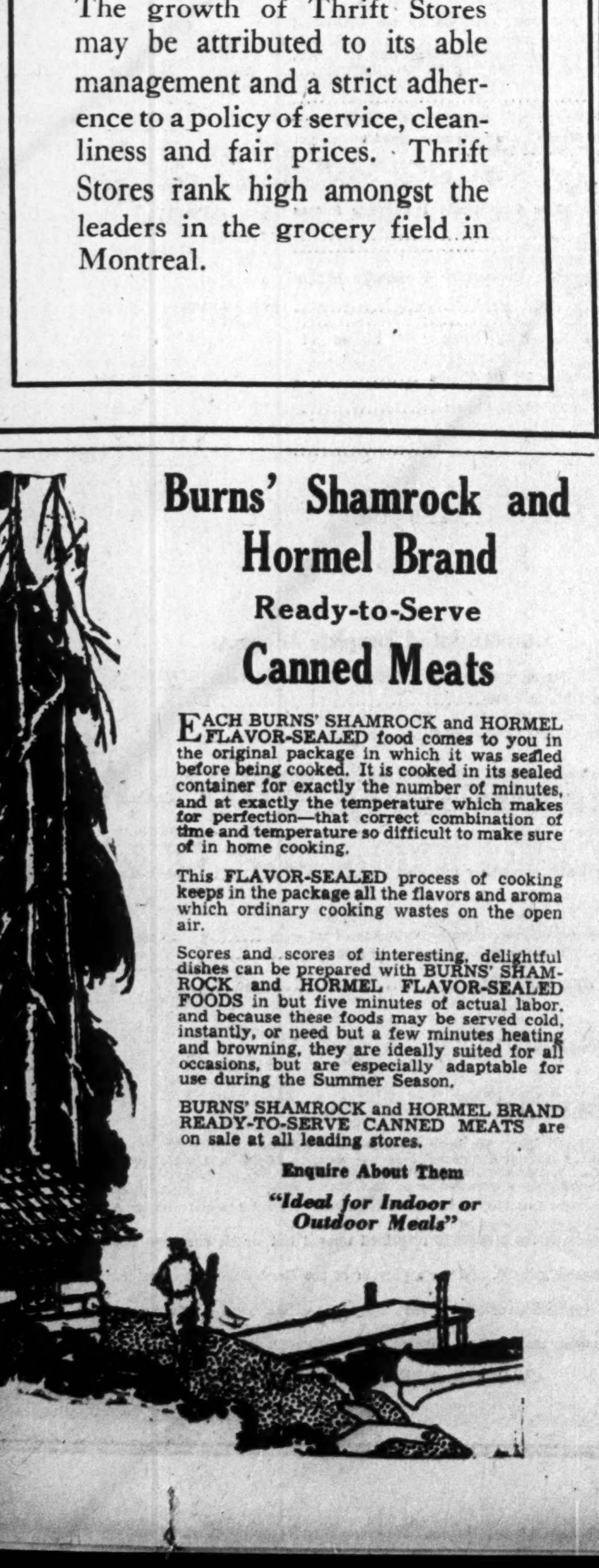
Regal, the new smooth-awned barley put out by the University of Saskatchewan, is becoming popular as a general purpose barley, according to Dr. J. B. Harrington, field husbandry department, University of Saskatchewan.

THRIFT

STORES LIMITED
& WHALE MARKETS, Inc.

THROUGHOUT the past 10 years, since their establishment in 1925, the progress made by Thrift Stores has been steady and consistent. Thrift now operate 74 stores including three markets. These stores are all located in Montreal and immediate district.

The growth of Thrift Stores may be attributed to its able management and a strict adherence to a policy of service, cleanliness and fair prices. Thrift Stores rank high amongst the leaders in the grocery field in Montreal.



Burns' Shamrock and Hormel Brand
Ready-to-Serve
Canned Meats

EACH BURNS' SHAMROCK and HORMEL FLAVOR-SEALED food comes to you in the original package in which it was sealed before being cooked. It is cooked in its sealed container for exactly the number of minutes, and at exactly the temperature which makes for perfection—that correct combination of time and temperature so difficult to make sure of in home cooking.

This FLAVOR-SEALED process of cooking keeps in the package all the flavors and aroma which ordinary cooking wastes on the open air.

Scores and scores of interesting, delightful dishes can be prepared with BURNS' SHAMROCK and HORMEL FLAVOR-SEALED FOODS in but five minutes of actual labor, and because these foods may be served cold, instantly, or need but a few minutes heating and browning, they are ideally suited for all occasions, but are especially adaptable for use during the Summer Season.

BURNS' SHAMROCK and HORMEL BRAND READY-TO-SERVE CANNED MEATS are on sale at all leading stores.

Enquire About Them

"Ideal for Indoor or Outdoor Meals"

Nat. Grocers

Progress Continued in '35 — Refunds Bonds at Lower Rate

Inspiring progress of National Grocers Co. during the years of depression is still continuing. In the nine months ended March 31, 1935, it improved its liquid position, eliminated all bond discount and organized expense and showed good earnings. Earnings have been at a satisfactory level ever since.

Moreover the company refunded its $1.2 millions 6 per cent bonds on a 4 per cent basis. This should be completed shortly after November 1st, 1935. It is interesting to note that the company formerly had a note issue of $2 millions. About $900,000 of this was redeemed and then the 6 per cent bonds were issued to take the place of the remaining notes. With the 4 per cent issue the yearly call on the company from this will be still smaller. Previously the company had redeemed its 8 per cent first preference stock.

The company is an amalgamation of 35 wholesale grocers. It was formed in the first place to concentrate buying power and enable the new company to make way against chain store expansion. It is now reported to be the largest individual buyer of groceries in Ontario. It has warehouses all over Ontario and routes all its purchases at strategical points for distribution to its customers. It carries less inventory than the individual companies used to have, but it has also a greater turnover. That makes a decided cut in overhead and tie-up of funds at any time.

Capitalization—

	Authorized	Outstanding
Com. (n.p.v.)	300,000 shs.	295,852 shs.
Pref. 7% cum.	3,500,000	2,953,200
Par $100.		

Funded Debt—
1st mtge. bonds, 6 per cent, due 1948, outstanding $1,169,800. To be redeemed at 105 on Nov. 1, 1935, and replaced by $1.2 millions 4 per cent bonds dated Oct. 1, 1935 and due serially $100,000 Oct. 1, 1936, to Oct. 1, 1947, inclusive. New bonds are sold to investors by McLeod, Young, Weir & Co., Nesbitt Thomson & Co., and R. A. Daly & Co. at 100¼ maturities 1936-40; 100 maturities 1941-43 and 99½ maturities 1944-47.

Dividend Record—
Preference—Entitled to 7 per cent per share per annum, cumulative, payable quarterly, Jan., April, July and Oct. 1. Dividends of $1.75 paid Jan. and July, 1929, Jan. and July, 1930, Oct., 1931 and Jan. and July, 1933; $2.61 paid Jan. 1, $1.75 Apr. 1 and May 1, 1934, on arrears; $1.75 paid July 2, 1934; $3.50 on arrears paid Sept. 1, 1934, $1.75 on Oct. 1, 1934, and $10.50 in 1935 to date, after which arrears amounted to $35 per share.
Common—None paid to date.

Head Office—21 Front St. E., Toronto.

Officers and Directors—
Officers — A. M. Woolnough, chm.; Archie Foster, pres. and gen. mgr.; John Medland, vice-pres.; T. H. Kinnear, sec.-treas.
Directors—A. M. Woolnough, Archie Foster, John Medland, T. H. Kinnear, David Blain, Toronto; M. D. Lemon; W. G. McLauchlan, Owen Sound; A. J. Major, Ottawa; J. H. Simpson, Guelph; Hon. George Gordon, North Bay; W. H. Kenny, Sarnia.

Times Bond Interest Earned—
Yr. end. June 30:

	*1935	1934	1933
Before deprec.	7.12	7.06	7.26
After deprec.	5.96	5.85	5.81

*9 mos. ended Mar. 31, 1935.

Earn. per Share and Div. Record—

Pref.: Earned	$11.09	$13.19	$10.45
Paid	8.75	7.00	3.50
Com.: Earned	0.58	0.54	0.34
None paid.			

*After deducting full year's preference dividends but before taking arrears into account.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	695,016	163,396	452,716
1930	620,587	152,334	562,798
1931	567,064	26,734	634,176
1932	569,291	51,681	809,328
1933	601,109	103,362	837,007
1934	711,593	230,744	981,891
1935†	566,583	238,405	751,365

†9 mos. to Mar. 31, 1935.
*After writing off organization expenses.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Pref.	130	121	118	90½	100	85
Com.	6½	4½	..	..	..	..

*To Oct. 8.

Western Grocers

Prairie Wholesale Firm Continues Growth in Business and Profits

Increased volume of sales by Western Grocers, Ltd., has continued into 1935. In 1934 the company earned $4.02 a share on the common stock compared with $2.51 in 1933. In the three preceding years, the earnings on the common were only a few cents a share.

Western Grocers sells to the "Red and White Chain," which comprises some 700 stores which are independently owned by customers of the company. It has head office, warehouse and cold storage plants at Winnipeg, and plants and warehouses at Calgary, Edmonton, Lethbridge, Moose Jaw, North Battleford, Regina, Saskatoon, Yorkton, Brandon, Dauphin, Le Pas, Winnipeg, Fort Frances, Kenora and Port Arthur.

Further reductions in expense were made in 1935. Its wholly-owned subsidiary, Dominion Fruit, has made considerable progress. The company has no banking or bonded indebtedness. The company has done so well in the last few years that it was able to pay dividends on common stock in 1935.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum.	$2,500,000	$1,194,300
Par $100.		
Com. (n.p.v.)	30,000 shs.	16,943 shs.

Funded Debt—
None.

Dividends—
Preference—$7 per annum, cumulative, payable Jan., Apr., July and Oct. 15. Paid regularly since 1926.
Common—A dividend of $1 per share was paid Mar. 15, 1927. $2 paid in 1935, Jan., Apr., July, Oct. 15.

Subsidiary—(Wholly-owned)—
Dominion Fruit, Ltd. — A wholesale fruit and vegetable organization operating in Western Canada.

Head Office—Winnipeg.

Officers and Directors—
Officers—W. P. Riley, pres.; W. H. McWilliams, vice-pres.; Eben Govan, sec.-treas.; W. S. Graham, asst. sec.-treas.
Directors—W. P. Riley, W. H. McWilliams, H. W. Hutchinson, F. O. Fowler, Jas. A. Richardson, all of Winnipeg.

Earn. per Share and Div. Record—

	1934	1933	1932
Pref.: Earned	$12.70	$10.55	$7.40
Paid	7.00	7.00	7.00
Com.: Earned	4.02	2.51	0.28
Paid	0.50	....	....

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1928	176,124	83,601	309,491
1929	193,170	83,601	371,799
1930	133,777	83,601	378,307
1931	121,671	83,601	372,909
1932	141,136	83,601	277,713
1933	188,094	83,601	319,043
1934	215,662	83,601	378,680

*After deducting all operating expenses, interest paid on bank and mortgage loans, and making provision for bad and doubtful accounts.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Com.	45	32	34	30	30	8
Pref.	100	95	100	85	90	54

*To Oct. 8.

Loblaw Groceterias Co.

Sales Increase Consistently But Profits Out of Step — Earnings May Follow Upward Sales Trend

Loblaw Groceterias Co. has been enjoying increased sales for more than a year. Profits, however, have not kept in step with sales. Earnings available for dividends in 1934-35 were below those in the fiscal year ended May 31, 1934.

From the first of June to September 21, sales have continued to increase, the total gain being 2.56 per cent. Profits, however, decreased over 9 per cent for the period. The upward trend of sales is expected to continue. It is anticipated that profits may also show a rising trend later in the current year.

Expands Markets

Expansion of the company's markets for sale of vegetables, fruits and meats is the chief factor behind the rising sales. Another factor which will tend to expand dollar volume is the rising trend of prices for some staple grocery lines, such as canned goods.

The company enlarged its warehouse, and added to its trucking facilities last year to help handle the increasing volume of market business. These expenditures have effected economies. It is understood that the marketing side of the company's busines is profitable.

Earnings Prospects

It is noteworthy that month to month sales and profit figures issued by the company for the information of shareholders are not entirely indicative of results for the year as a whole. Discounts and other special items affecting the whole year's income are not calculable in advance, and so do not enter fully into the reports. The decline in profits for the period from June 1 to September 21, 1935, therefore, may turn out to be a less reliable guide to results for the year which ends May 31, 1936, than some investors have supposed.

The decline of profits shown so far has had the effect of weakening the company's shares somewhat. This tendency was apparently based chiefly on apprehension lest some reduction be made in the dividend. As yet, there has been no consideration of reduction below the $1 a share level. While earnings of $1.08 a share in 1934-35 barely covered the dividend, it is still too early to forecast that improvement or deterioration of earnings will be experienced in 1935-36.

Operates in Ontario

The company is engaged in the chain store business entirely in Ontario. All types of groceries, foodstuffs, and domestic supplies, are sold in the self-serve stores. In 1933, the company began opening markets where meats, fruits and vegetables are sold. The company operates 110 stores in 42 Ontario centres, and has 36 market stores.

The company was incorporated in 1921, and has grown to its present large size by a gradual process of evolution. Outside the development of market stores, the chain is not being expanded to a major degree at present.

Loblaw Groceterias Co. owns 28,600 shares of common stock and 2,841 shares of preferred stock in Loblaw Groceterias, Inc., which operates some 78 store in the United States. Profits of the American company in 1934-35 exceeded $190,000, but no dividends have been paid on the stock.

Capitalization—

	Authorized	Outstanding
Class A	600,000 shs.	447,331 shs.
Class B	600,000 shs.	383,300 shs.
(No par value).		

Funded Debt—
None.

Dividend Record—
Dividends—Present rate $1 per annum on both A and B stock; class A entitled to cumulative preferred dividend of 50c. per annum, and equal participation with class B after payment of 50c. per share on class B; both payable 1st Mar., June, Sept. and Dec. Initial dividend of 12½c. per share on both stocks paid June 1, 1929; and quarterly thereafter to Dec. 1, 1929; increased to 20c. per share Mar. 1, 1930, and to present rate June 1, 1934. Bonus of 20c. per share on both A and B shares paid Dec. 1, 1932; 15c. June 1, 1934.

Affiliated Company—Loblaw Groceterias, Inc.

Head Office—Toronto.

Officers and Directors—
Officers—J. Milton Cork, pres. and gen. mgr.; Charles B. Shields, vice-pres. and asst. gen. mgr.; Danile Urquhart, vice-pres., sec. and treas.
Directors — J. Milton Cork, H. G. Muntz, Charles B. Shields, Daniel Urquhart, M. W. Waddington, F. K. Morrow, Toronto; W. A. Arbuckle, Montreal.

Earnings per Share and Dividend Record—
Year end. May 31:

Classes A & B:	1935	1934	1933
Earned	$1.08	$1.12	$1.18
Paid	1.00	0.85	0.80
Extra	....	0.15	0.20

Seven Years Earnings—
Year end. May 31:

Year	Earnings $	Dividends $	Surplus $
1929	922,202	416,631	1,798,996
1930	1,190,328	556,505	2,205,599
1931	1,206,635	680,673	2,225,075
1932	1,180,841	679,568	2,292,194
1933	1,131,852	838,377	2,776,038
1934	1,061,299	832,404	2,874,397
1935	1,039,876	830,631	2,921,643

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Class A	19¼	16½	18¼	14	21½	10¼
Class B	18⅛	16	17¾	13½	21	10⅛

*To Oct. 8.

Thrift Stores

Loss Reported But Conditions Show Signs of Improvement

Thrift Stores operations continue to be conducted at a loss, but in the last few weeks there have been signs of a betterment in the highly competitive chain store situation in the Montreal area.. Officials of the company hope that in the next two months there will be a definite improvement in the company's position. While there is considerable room for betterment, the outlook for the company is definitely more encouraging at this time than it was a year ago.

In the fiscal year ending March 31 last, the company had an operating loss of $16,442 as against an operating profit of $110,700 in the previous twelve months. This unfavorable showing was due to the severe competition, selling prices declining to a point where there was little or no profit to the distributor. As a consequence of the limited earnings, the management found it necessary to defer dividend action on the capital stock

Capitalization—

	Authorized	Outstanding
1st pref. cum. 6½%	$350,000	$342,750
Par $25.		
2nd pref. 7%	120,000	120,000
Par $10.		
Ordinary	*57,000 shs.	20,000 shs.
N.p.v.		

*36,420 shares reserved for conversion of 1st and 2nd preferred shares.

Dividend Record—
1st Preference—6½ per cent per annum, cumulative from Oct. 1, 1929; payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid Jan. 2, 1930, and regularly to and including Jan. 1, 1935; none since.
2nd Preference—7 per cent per annum, cumulative from Oct. 1, 1929. Payable quarterly, Jan., April, July and Oct. 1. Initial dividend paid Jan. 2, 1930, and regularly to and including Jan. 1, 1935; none since.
Ordinary—40 cents per share per annum, payable quarterly Jan., Apr., July and Oct. 1. Initial dividend of 10 cents paid July 1, 1932 and regularly to and including Oct. 1, 1934; none since.

Subsidiary—
M. Rudolph Limited—Wholly-owned by parent company and earnings consolidated with those of latter.

Head Office—Montreal.

Officers and Directors—
Officers—W. M. Hodgson, pres. & man. dir.; D. S. McMaster, vice-pres. and chm. of board; H. N. Evans, sec.; M. Latsky, treas. and purch. agt.
Directors—Allan M. Mitchell, A. F. Byers, B.Sc., W. M. Hodgson, Walter A. Merrill, K.C., W. E. Dunton, C.A., A. E. Howard, F. J. Campbell, D. S. McMaster, Maurice Forget, all of Montreal.

Earnings per Sh. and Dividend Record:
Yr. end. Mar. 31

	1935	1934	1933
1st pref.:			
Earned§	......	$5.04	$4.70
Paid	1.21½	1.62½	1.62½
2nd pref.:			
Earned§	......	3.90	3.50
Paid	0.52½	0.70	0.70
Ordinary:			
Earned§	......	1.92	1.68
Paid	0.20	0.40	......

§Based on net profit which was before income tax in 1932 but after income tax and adjustments in 1931.

Five Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1931	95,780	31,150	55,189
1932	107,131	31,150	93,296
1933	111,837	30,796	119,713
1934	110,700	38,679	150,089
1935	19,512	27,009	87,086

*For period from Aug. 3, 1929 to Mar. 31, 1930.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Ordinary	2	1	11½	8	14	7½
1st pref.	13	5	25	18	30	21

*To Oct. 8.

Holsum Packing Co.

Holsum Packing Co. with head office at Victoria, B.C., manufactures jams, jellies, pickles, sauces and has facilities for canning fruits and vegetables.

Capitalization—

	Authorized	Issued
Pref. 7% cum.	$50,000	$18,680
Par $10.		
Common	50,000	23,269
Par $1.		

Dividend Record—
Preferred—Entitled to 7 per cent cumulative, payable June and Dec. 15; in arrears since Nov., 1929.

Officers and Directors—
J. E. Sladen, pres.; A. H. Alexander, mgr. and sec.; H. Beach, I. M. Nodek, L. Batchelor, Victoria; R. S. Twining, Gordon Head, B.C.; E. Livesey, Sidney, B.C.

Head Office—Victoria, B.C.

Stop and Shop

Price Spreads Attacks Harmed Company, But Sales Are Recovering

Stop and Shop, Ltd., which operates 50 stores in Toronto, 54 in Montreal and eight in Ottawa, has had a somewhat improved sales experience in the last two months. In the first part of the year, however, sales were reported a little lower than for the same period in 1934.

The present company, which was formed in 1932, owns the combined assets formerly owned by Arnold Bros., Consolidated Food Products and Pure Food Stores. After it was organized 50 unprofitable stores were closed. From the assets sold, bonds were reduced. Overhead expenses have also been reduced, many management methods changed and the training of personnel given greater attention. As a result the company was able in the year ended February 28, 1933, to show a profit of $12,231 after bond interest and depreciation. In the next year its profit was four times as large.

In the year ended February 23, 1935, however, the company had a net loss of $71,726 after bond interest and depreciation and $99,503 after deferred dividends. As a result the accumulated surplus of $75,914 dropped to a deficit of $26,139. In that year there had been a 2 per cent increase in sales until the Price Spreads Commission began its meetings in Ottawa. Executives attribute the loss to attacks on the chain stores before that committee, but a price war in Montreal is also blamed. There has recently been some improvement in the latter connection. It is claimed, however, that Montreal's tax on chain stores is discriminatory.

Capitalization—

	Authorized	Outstanding
Pref. 6% cum.	$750,000	$555,500
Par $10.		
Common	*125,000 shs.	49,841 shs.
N.p.v.		

*75,000 shares are reserved for conversion of preference stock.

Funded Debt—
6% 1st mtge. s. f. bonds, series A, due 1947, outstanding $644,500.

Dividend Record—
Preferred—Entitled to 6 per cent per annum, cumulative, plus participation. Initial dividend of 25c. paid Apr. 16, 1934. Similar payment made on July 15, 1934.
Common—None paid.

Subsidiary—(Wholly-owned).
Pure Food Stores, Ltd., Montreal.

Head Office—1385 Bloor St. W., Toronto.

Officers and Directors—
Officers — Robert H. Hommel, pres.; H. R. Berg, George A. Wright, vice-pres.; George C. Anspach, sec.-treas.
Directors—H. B. Housser, A. D. Cobban, Robert H. Hommel, W. S. Morlock, E. F. Coste, T. A. McAuley, H. R. Berg, George A. Wright, Toronto; Brian Barrett, Kitchener.

Times All Interest Earned—

Year End.:	Feb. 23 1935	Feb. 24 1934	Feb. 25 1933
Before depr.	0.56	3.64	2.56
After depr.	nil	2.32	1.34

Earnings per Share and Dividend Record—

Pref. (new):			
Earned	$0.50	$0.82	$0.22
Paid	nil	nil	nil
Com. (new):			
Earned	nil	nil	nil
Paid	nil	nil	nil

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Common	4¾	4⅜	9	4½	10½	4

*To Oct. 8.

Moirs

Moirs Ltd., Halifax manufacturers of confectionery and foodstuffs, are now at the beginning of the period which will largely determine earning power for the year. The late fall months constitute the period when the company ships to meet Christmas and New Year's demands. So far there is no definite indication of the trend of the sales, but some improvement is looked for over the unsatisfactory results of the past three years.

Management difficulties of the company have quieted down for the time being. Last year the board put in following the reorganization was ousted and a new group took over control.

"TOASTED STYLE" SODAS
another McCormick triumph!

Three generations of Canadians have acclaimed McCormick's Jersey Cream Sodas as their favorite cracker. This brilliant record seems about to be duplicated by another McCormick creation . . . Toasted Sodas.

A year ago Toasted Sodas were just a master-baker's idea. McCormick brains, skill, and machinery have gone to work on that idea and turned it into the fastest growing variety of Soda Biscuits in Canada today.

Double-cooking of part of the ingredients . . . malt for flavor and fine color . . . and finally, *toasting* for extra crispness—are some of the reasons for the instant success of Toasted Style—the new companion to Jersey Cream Sodas.

McCORMICK MFG. CO., LIMITED, LONDON
Also at Moncton, Montreal, Winnipeg and Edmonton

Blue Ribbon

Income from Willard's Distant — Profits Down But 4% Paid on Preferred

Blue Ribbon Corp. completed an important year on June 30, 1935. Control of Willard's Chocolates Ltd., was acquired by purchase of the common stock at $15 a share. This was reflected in the Blue Ribbon balance sheet in an item of $303,503, representing the investment in Willard's at cost.

Willard's operating figures and balance sheet are not combined with those of Blue Ribbon Corp. because Willard's fiscal year ends December 31. Acquisition of Willard's reduced working capital of Blue Ribbon Corp. It was $716,000 at June 30 1935, compared with $912,104 in 1934.

Blue Ribbon Earnings

Blue Ribbon Corp. has had operating control of Willard's since 1932, so that purchase of the common stock does not make much difference from the operating standpoint. There is not much prospect of Blue Ribbon Corporation receiving any income from the Willard's investment in the near future. Willard's must first pay its preferred dividends.

Blue Ribbon Corp. had a reduction of about one third in operating profits in 1934-35 and did not quite earn the 4 per cent which is being paid on its 6½ per cent preferred shares. Arrears of dividends on Blue Ribbon preferred amounted to $4.37½ a share at May 1, 1935. There is no prospect of early payment on the common.

Blue Ribbon Corp. is a holding company, owning all the outstanding shares of the Pure Gold Mfg. Co. and Blue Ribbon Ltd. These firms manufacture baking powder, spices and cereals, etc., and import and pack, tea, coffee, cocoa and other grocery products.

Capitalization—

	Authorized	Outstanding
Pref. cum. conv.	$1,500,000	$1,492,500
Common	150,000 shs.	63,475 shs.
No par value.		

Dividend Record—
Preferred—Entitled to 6½ per cent cumulative, payable Feb., May, Aug. and Nov. 1. Paid regularly from Aug., 1930 to Nov., 1931; rate reduced to 4 per cent by payment of 50c. Feb. 1, 1932; paid regularly at this rate since.
Common—None at present; former rate $2 per share per annum from July, 1930 to Nov., 1931; none since.

Subsidiaries—
Pure Gold Manufacturing Co., Ltd.—Common stock outstanding 50,000 shs. n.p.v., all held by parent company.
Blue Ribbon, Limited—Preferred stock outstanding $1,000,000, par $50; common stock 30,000 shs. n.p.v., all owned or controlled by the parent company.

Head Office—Toronto.

Officers and Directors—
Officers—W. S. Greening, chm. of board; J. M. deC. O'Grady, pres.; C. E. Spooner, vice-pres.; J. C. Jamieson, sec.-treas.; J. Ball and W. K. Fraser, asst. secs.
Directors—W. S. Greening, Lt.-Col. J. F. Michie, C. E. Spooner, A. C. Matthews, Toronto; J. Ball, William Hood, J. M. de C. O'Grady, Winnipeg.

Earn. per Share and Div. Record—
Year End. June 30:

	1935	1934	1933
Pref.: Earned	$1.98	$2.52	$2.45
Paid	2.00	2.00	2.00
Com.: Earned*	nil	nil	nil
Paid	nil	nil	nil

* After deduction of full year's preferred dividends.

Five Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	254,688	242,499	†121,533
1931	265,929	192,251	†139,993
1932	128,313	149,852	42,341
1933	130,882	57,590	55,261
1934	154,589	58,645	71,875
1935	102,756	59,700	71,678

† Subject to income tax.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Com.	3½	2	6	4	6	1
Pref.	29	19	32	23	23¼	10

* To Oct. 8.

To Aid Grain Exhibitors

Alberta will once again assist seed grain exhibitors at the Toronto Royal Fair and Chicago International this fall, it is officially announced.

DEPENDABLE
"SAFEGUARDED"
MILK

for the Homes of
SIX LEADING CANADIAN CITIES

Supplying safeguarded milk is the function of this long-established concern operating in six of Canada's leading communities. In each, it maintains an ultra-modern dairying plant in which milk from selected herds is subjected to every test to assure uniform wholesomeness and purity. Dependable daily delivery of this "safeguarded" milk to thousands of homes is the final step in an enterprise that through the years has done much to build up Canadian health and stamina.

EASTERN DAIRIES LIMITED
Owning and Operating

Acme Farmers Dairy Limited, Toronto
Elmhurst Dairy Limited, Montreal
Acme Farmers Dairy Limited, Hamilton
The Producers Dairy Limited, Ottawa
Crescent Creamery Company Limited, Winnipeg
Hull Dairy Limited, Hull

Burns & Co.

Earnings Improve With Firm Prices for Food Products —Expect Payment on Income Bonds

Earnings of Burns & Co. have improved materially in 1935. Consequently, there is now some anticipation that a payment of interest on the company's income bonds will be made on April 1, 1936.

The company's capital was reorganized with the consent of bondholders and shareholders in 1934. This resulted in the bond issue being divided into two sections. One half bears 3½ per cent interest for 1935, and 5 per cent thereafter. The other half bears non-cumulative interest, payable only to the extent of 75 per cent of available net income for each year up to Dec. 31, 1938. Subject to the company maintaining working capital, these "income bonds" bear 5 per cent after December 31, 1938.

May Pay Income Bonds

In 1935, the company has been earning more than the 3½ per cent on the portion of bonds upon which interest is fixed. It has increased working capital beyond $2.5 millions. Under the reorganization, this figure had to be passed before interest would become payable on the income bonds.

As a result of improvement in earnings and current position, the company is expected to start payment on the income bonds, possibly at three per cent. The feasibility of making payment, and the amount, will depend largely upon conditions and prices in the meat packing trade for the remainder of 1935. So far, prices for bacon and other products of this firm have been strong. If this continues, it will aid earnings materially. If there were to be a sudden reversal in the price of the company's products, inventory losses would be possible and no payment might be made. It is anticipated, however, that some payment will be made on the income bonds.

Dividends Distant

Dividends on the class A and B shares are distant. No dividends can be paid when net current assets are less than $3.5 millions. It may be some years before this figure is reached, since the first portion of increased earnings will be absorbed by higher interest charges and by payments on the income bonds.

Financing of the company in 1928 received strong criticism this year in the report of the Royal Commission on Price Spreads. It was shown that assets were written up by approximately $4,860,000 at the time of the refinancing, and that the net increase made in fixed assets was approximately 53 per cent.

Operates in West

The company operates a meat packing and foodstuffs business, manufacturing chiefly in western Canada. Extensive exports are made of many packing house products such as bacon, ham, butter and cheese. Agencies are maintained in Europe, the West Indies and the Orient.

Capitalization†—	Authorized	Outstanding
Cl. A $1 pfd. Non-cum., n.p.v.	33,790 sh.	33,789½ sh.
Cl. B, n.p.v.	139,995 sh.	109,554 sh.
Management shs. N.p.v.	5 sh.	5 sh.

† After giving effect to capital reorganization approved in March, 1934.

Funded Debt—
First mtge. 5 per cent series A bonds, due 1958; outstanding *$6,757,900.

* One half the bonds by each bondholder bear interest, which is being paid, at 3½ per cent for 1935 and 5 per cent thereafter; interest payable Jan. and July 1, commencing July 1, 1934. On the other half interest is non-cumulative from Jan. 1, 1934 to Dec. 31, 1938, payable annually commencing April 1, 1935 to the extent of 75 of available income. No such interest paid. After Dec. 31, 1938, interest on this half of the bonds is payable at the rate of 5 per cent per annum Jan. and July 1.

Dividend Record—
(On old stock) Preferred—6 per cent cumulative, payable Jan., Apr., July and Oct. 1; paid regularly to Oct. 1, 1930, none thereafter.

Common—None paid. New stocks: none paid to date.

Subsidiaries—
Palm Dairies Ltd.—(Wholly-owned).
Consolidated Fruit Company Limited—77 per cent owned.

Head Office—Calgary, Alta.

Officers and Directors—
Officers—Hon. Patrick Burns, chm.; John Burns, vice-pres. and gen. mgr.; W. E. Corlet, sec.

Directors—Hon. Patrick Burns, John Burns, J. I. McFarland, A. C. Newton, Wm. Toole, Calgary; Col. A. M. Brown, Vancouver; W. S. Hodgens, Toronto; A. E. Pequenat, Waterloo, Ont.

Bondholders' Committee — A. E. Pequegnat (chairman), Waterloo, Ont.; E. G. Long, J. E. Fortin, H. N. Bawden, Toronto; Col. A. M. Brown, Vancouver; D. F. Wilson, 15 King St. W., Toronto, sec.

Times Bond Interest Earned—

	1934	1933	1932
Before depr. but after bk. int.	7.97	1.19	0.03
After depr. & bank int.	3.43	0.46	nil

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	1,409,612	343,295	252,433
1929	1,447,007	416,250	325,637
1930	687,532	312,531	14,633
1931	299,289	....	*516,461
1932	96,473	....	*1,167,784
1933	474,035	....	*1,379,553
1934	561,669	....	139,433

* Deficit.

Broder Canning Co.

Broder Canning Co. operates canning plants at New Westminster, Chilliwack, Edmonton and Medicine Hat. The company was formed in 1917 to take over the Broder Canning Co. originally established in 1910. The head office is at New Westminster, B.C.

No dividends have been paid on the preferred stock since April 1, 1931.

The company packs peas, corn, tomatoes, and other vegetables under the trade name "Royal City." Up to 1930 expansion was rapid but during the depression, operations were not so successful.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. Par $100.	$300,000	$150,000
Common Par $100.	350,000	192,900

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable Jan., Apr., July and Oct. 1. None since Apr. 1, 1931.

Head Office—New Westminster, B.C.

Officers and Directors—
R. B. Broder, pres.; F. D. Mathers, gen. mgr.; V. F. Broder, sec.-treas.; H. C. Wade, asst. mgr.; C. W. Moore, sales mgr.

How tens of thousands of Ontario's Pantries are stocked

Coffee from Africa, Jamaica and Central America, tea from India and Ceylon, spices from the Far East, sugar, flour, salt, pepper, canned goods, packaged goods, bulk supplies from here, there and everywhere—a bewildering variety of foods fill Ontario pantries.

In great part they get there through the cost-saving channels of distribution provided by National Grocers.

This organization operates a system of thirty-one distributing warehouses strategically located throughout the Province of Ontario. These warehouses provide the independent grocer with the economies and advantages of quick delivery from close-at-hand sources of supply. They make him more efficient. They are the guiding channels through which every variety of food is guided to the consumer without loss of time and with the minimum of expense.

NATIONAL GROCERS COMPANY LIMITED
An Entirely Canadian Institution
Head Office:
21 Front Street East, Toronto

BOARD OF DIRECTORS:
Archie Foster, President; John Medland, Vice-President; A. Marland Woolnough, Chairman; J. H. Simpson, T. H. Kinnear, Hon. George Gordon, A. J. Major, M. D. Lemon, W. G. McLauchlan, W. H. Kenny and D. Blain

B. C. Packers

Leading Packer of Salmon on Pacific Coast Reorganizes Capital

Preference and common shareholders of British Columbia Packers meet in Vancouver on October 21 to consider a plan for changing all present preferred and common shares into a new no par value common stock.

The proposals are:

(1) That 2½ new common shares be exchanged for each of the 39,405 outstanding preference shares, for 98,512½ new shares in all;

(2) That one new common share be issued for each ten of the 277,665 common shares now outstanding, or 27,766½ new shares in all;

(3) To eliminate the present deficit of $4.2 millions by reducing the paid up capital from $7.7 to $3.5 millions.

This division of interest, points out the president, H. R. MacMillan, gives the present preference stock 78 per cent of the new stock and the common the remaining 22 per cent. Deferred dividends of $29.75 a share on preferred stock at the end of 1934 are done away with under this plan. At the same time the disappearance of the deficit makes it possible to pay dividends when and if these are earned.

If the plan is accepted the authorized new common stock will be 390,994 no par value common shares. The issued common stock will be 126,279 shares.

The salmon run this year is reported to be below average. There is, therefore, no reason for expecting any immediate change in earning power. If world prices are stimulated by the shortage, it might help the company.

The company has had five successive operating losses up to the present season. The company as a rule handles about half the Pacific coast salmon pack in Canada. It suffers somewhat from intense competition in the British market from rival Japanese and Russian salmon canners. Most of its difficulties result from the tremendous inventories built up in 1930 and their liquidation in succeeding years at lower prices.

Capitalization—	Authorized	Outstanding
Pref. cum. Par $100.	$5,000,000	$3,940,500
Common, n.p.v.	500,000 sh.	277,662 sh.

Note: Shareholders meet on Oct. 21 to decide on recapitalization plan shown above.

Funded Debt—
1st mortgage 6 per cent S. F. debs., due 1944, $297,000 issued in 1934 in exchange for an equal amount of Wallace Fisheries 6 per cent 1st mtge. debenture stock. Non-interest bearing second mtge. debs. due 1960, $1,050,000 issued and deposited as security against outstanding bills payable and bank loans of the company in place of $2,752,616 debentures, pledged against these loans, secured by assets of subsidiary companies now in process of liquidation.

Dividend Record—
Preference—Entitled to 7 per cent per annum, cumulative from April 1, 1929, payable quarterly, July, Oct., Jan. and Apr. 1. Initial dividend paid July 1, 1929, and regularly to Oct. 1, 1930. Dividend due Jan. 1, 1931, deferred. None since. In arrears Dec. 31, 1934, $1,172,299, or $29.75 per share.

Common—None paid to date.

Subsidiaries—
During 1934, the company's subsidiaries, including British Columbia Fishing & Packing Co., Gosse Packing Co., Millerd Packing Co., Wallace Fisheries Ltd., and Skeena River Packing Co., were placed in liquidation, and their physical assets transferred to the parent company.

Head Office—Vancouver.

Officers and Directors—
Officers — H. R. MacMillan, pres.; Stanley J. Burke, vice-pres.; C. C. Thomas, man. dir.; J. M. Buchanan, sec.

Directors—S. J. Burke, F. E. Burke, George Kidd, H. R. MacMillan, J. P. D. Malkin, C. C. Thomas, A. C. Taylor, Gordon Farrell, all of Vancouver; J. H. Gundy, Toronto; A. H. Williamson, Winnipeg.

Six Years Earnings—
Years ended Feb. 28:

Year	†Earnings $	Dividends $	Surplus $
1930	634,276	205,422	715,259
1931	*897,377	208,850	*759,629
1932	*451,679	....	*1,659,760
1933	81,022	....	*1,946,979
1934	108,290	....	*3,380,542
1935	219,317	....	*3,801,534

*Loss or deficit. †After interest on bank loans, bills payable, etc.

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Com.	1¾	½	3⅞	1⅛	8	1
Pref.	18	13	20	10	20	6

*To Oct. 8.

Assoc. Quality

Control Changes from Whittall Can to Continental Can

Improvement in the position of Associated Quality Canners Ltd. is expected to take place as a consequence of the change in control from Whittall Can to the Continental Can, one of the largest operators in the United States. It is not anticipated that any immediate changes will be effected in the policies of the company.

Associated Quality Canners has been passing through difficult times owing to severe competition in the canning industry. Low prices have prevailed, as a rule, with the result that earning power has been on a limited basis.

During the fiscal year ended Feb. 28, 1935, the company was able to show a small net operating profit—the first since 1931. While income was insufficient to take care of interest charges, the deficit was only about one-fifth of that reported in the 1934 fiscal year.

Bank loans last spring totalled $1.6 millions, an increase of nearly $300,000 during the year.

ASSOCIATED QUALITY CANNERS
(Controlled by Whittall Can Co.)

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	100,000 shs.	82,615 shs.

58,335 shares of the outstanding stock owned by the Whittall Can Co. through its wholly-owned subsidiary, Asquacan, Ltd.

Funded Debt—
6 per cent 1st mtge. bonds series A, due 1942, outstanding $500,000.

Dividends—
Common—None at present. Was $1.50 per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend of 37½ cents paid Dec. 1, 1928, and regularly until Dec. 1, 1930. Payment due Mar. 1, 1931, passed. None since.

Head Office—Toronto.

Officers and Directors—
Officers—A. R. Whittall, chm. of board; F. R. Whittall, pres.; Hon. Manning W. Doherty, vice-pres.; F. R. McIntosh, gen. mgr.; P. G. Prior, sec.-treas.

Directors—F. R. Whittall, D. S. Whittall, A. R. Whittall, Col. E. G. Hanson, J. R. Hughes, Montreal; Hon. Manning W. Doherty, F. R. McIntosh, Toronto.

Six Years Earnings—
Year End. Feb. 28:

Year	Earnings $	Dividends $	Surplus $
1930	261,382	120,675	226,236
1931	52,744	90,675	106,494
1932	‡539,545	......	†577,945
1933	‡393,734	......	†1,129,629
1934	‡323,728	......	†1,537,515
1935	13,361	......	†1,642,088

‡Loss †Deficit

Market Record—

	*1935 H	*1935 L	1934 H	1934 L	1933 H	1933 L
Com.	3½	1⅛	4⅛	3	..	..

*To Oct. 8.

Canada Packers

Maintenance of Firm Commodity Prices Will Aid Earnings — Refinancing Profitable Plan

Canada Packers Ltd. has been having a successful year. Firm prices for bacon and other products of the company have served to assist earnings.

This company is to an important degree an "inventory concern," in that there is a lag between the time of purchase of raw materials from farmers and sale of finished goods. If prices are firm or steady in the period of processing, the company's earnings are aided. If, however, prices for finished products decline after materials have been purchased, inventory losses are possible.

Refinancing Expected

Anticipated refinancing of the company's preferred shares would be the major financial change in the company's position in 1935. A saving in fixed charges amounting to over 80 cents a share annually on the common stock can be achieved by sale of bonds on a four per cent basis in substitution for the 7 per cent preferred stock which is callable at 110.

All the bonds of subsidiary companies were paid off in 1934-35. This confines investment interest in the company to its own senior securities and common shares.

Wider distribution and increased interest in the common stock developed this year; first from the listing of the shares on the Toronto Stock Exchange, and secondly from the declaration of the initial common dividend. The rate of $3 a share on the common was established in March, 1935, and this dividend is being paid 75 cents a share quarterly, in the 1935-36 year. Dividends for the 1936-37 year will be based upon results for 1935-36.

Profits May Be Up

Provided there is no slump in prices for meat and other food products of the company, it is anticipated that an increase in profits will be possible in the year which ends March 29, 1936. Although total sales amounted to $62.2 millions in the 1934-35. year, compared with $54.4 millions in the precedng year, net profits were lower. This was apparently due partly to fluctuations in prices for products of the company.

The company has been inaccurately criticized on political grounds. While it is the major company in the packing industry in Canada, it has been incorrectly stated that the company handles a major portion of all the livestock killings in Canada. Profits from livestock constitute only one third of the company's total profits. Products include all packing-house goods: ham, bacon, beef, mutton, veal and so on. Important lines, however, are lard and other shortenings, canned meats and soup, and many other consumer products.

Exports Important

Export markets are important in the company's operations. Increasing exports to the United Kingdom and other Empire countries have been important factors in the company's improvement of earnings since 1932. President J. S. McLean has stated that maintenance of satisfactory volume and prices for exports in the British market is particularly important, because domestic market conditions depend to a great degree upon the success of exports.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. Par $100.	$10,000,000	$5,890,500
Common, n.p.v.	200,000 sh.	200,000 sh.

Funded Debt—
None. Bond issues of subsidiary companies of $4,592,900 were redeemed and cancelled.

Dividend Record—
Preferred — 7 per cent per annum, cumulative from July 1, 1927; payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid April 1, 1929, and regularly since. Initial payment on arrears account of $1.75 per share paid July 3, 1933; $3.50 paid Oct. 2, 1933; $1.75 paid Jan. 2, 1934; and final payment of $3.50 on arrears paid Apr. 2, 1934.

Common—$3 for 1935-36 year, first payments declared in March, 1935, paid 75c. quarterly April, July, Oct. 1, 1935.

Subsidiaries—
William Davies Company, Inc.
The Harris Abattoir Company, Ltd.
Canadian Packing Company, Ltd.
Gunns Limited.
Canada Packing Co. Ltd.

Head Office—Toronto.

Officers and Directors—
Officers—J. S. McLean, pres.; E. C. Fox, T. F. Matthews and W. T. Harris, vice-presidents; S. G. Brock, sec.-treas.; N. J. McLean, gen. mgr.

Directors—J. S. McLean, E. C. Fox, T. F. Matthews, N. J. McLean, W. S. Cameron, S. G. Brock, W. T. Harris, A. L. Laing, A. G. Hall and C. Laursen, all of Toronto; Joseph Harris, Winnipeg; G. S. Matthews, Peterborough, Ont.

Earn. per Share and Div. Record—

Year End.	Mar. 28 1935	Mar. 29 1934	Mar. 30 1933
Pref.: Earned	$22.39	$23.70	$10.07
Paid	7.00	7.00	7.00
Com.: Earn.†	4.48	5.04	0.93

† In 1934, common share earnings are based on net profit less full year's preference dividends, but before deducting payment of arrears; in 1933, earnings are based on net profit less full year's preference dividends, but before taking arrears of preference dividends into account.

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1929	1,503,298	115,939	2,598,444
1930	1,552,072	444,738	3,706,569
1931	838,112	435,395	4,111,638
1932	450,303	422,319	4,073,622
1933	607,672	422,254	4,259,040
1934	1,429,670	1,055,672	4,633,038
1935	1,318,663	572,287	5,379,414

* After all expenses, bond interest, income tax provision for current year and additional amounts for prior years, and depreciation.

Stock Range—

	1935 High	1935 Low
Preferred	115	110
Common	71	50

Wm. Davies Co., Inc.
(Controlled by Canada Packers)

Capitalization—	Authorized	Outstanding
Class A com.	60,435 shs.	60,435 shs.
Class B	60,000 shs.	60,000 shs.

(No par value).
Canada Packers Ltd. owns all the stock except 31 shares of class A.

Funded Debt—None.

Subsidiaries—
The William Davies Company, Limited—Operates the Canadian properties of the company.
Ontario Fertilizers Limited—An affiliated company.
National Canned Meats, Limited — Situated at Toronto.
Federal Cold Storage & Warehousing Co.—Operates a cold storage plant on Front St., Toronto. Entirely owned by parent company.
Duane Produce Co.—An inoperative plant located at New York.
Head Office—Chicago.

Officers and Directors—
Officers — E. C. Fox, pres.; R. W. Perry, vice-pres.; S. G. Brock, sec.-treas.

Directors—E. C. Fox, J. S. McLean, N. J. McLean, R. W. Perry and S. G. Brock, all of Toronto.

Harris Abattoir Company Ltd.
(Entirely owned by Canada Packers)

Capitalization—	Authorized	Outstanding
Common stock	$5,000,000	$2,555,000

(Par $100. All owned by the parent company).

Funded Debt—None.

Subsidiaries—
Harris Abattoir (Western) Limited—Operates a plant at Boniface, Man.
Ontario Fertilizers Ltd.—Owned jointly by this company and Wm. Davies Co.
Canadian Gas and Equipment, Ltd.
Public Cold Storage and Warehousing Co.
Sales Companies — In addition the company operates as separate companies, four sales subsidiaries in Nova Scotia, Quebec, New Brunswick and Saskatchewan.
Head Office — Union Stock Yards, Toronto.

Officers and Directors—
Officers— W. T. Harris, pres.; J. S. McLean, vice-pres.; J. Harris, vice-pres.; S. G. Brock, sec.-treas.; C. Wadge, asst. sec.; W. S. Cameron, man. dir.

Directors—J. Harris, Winnipeg; J. S. McLean, S. G. Brock, W. T. Harris, N. J. McLean, W. S. Cameron, J. S. Willis, C. C. Polkinghorne, C. Wadge, C. Laursen, all of Toronto.

Gunns Ltd.
(Entirely owned by Canada Packers)

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	3,000 shs.	3,000 shs.

The entire capital stock is owned by Canada Packers.

Subsidiaries—
Walkerton Egg & Dairy Co., Limited—Walkerton, Ont.
Wellington Product Co., Limited — Harriston, Ont.
Gunn, Langlois and Company Limited.

Officers and Directors—
Officers—J. S. McLean, pres.; Brig.-Gen. J. A. Gunn and N. J. McLean, vice-pres.'s; S. G. Brock, sec.-treas.

Directors — J. S. McLean, N. J. McLean, Brig.-Gen. J. A. Gunn, W. S. Cameron, and S. G. Brock, all of Toronto.

Canadian Packing Company Ltd.
(Entirely owned by Canada Packers)

Capital Stock—
All owned by Canada Packers, Ltd.

Officers and Directors—
Officers—T. F. Matthews, pres.; J. S. McLean, vice-pres.; S. G. Brock, sec.-treas.

Directors—T. F. Matthews, J. S. McLean, N. J. McLean, E. C. Fox, G. S. Matthews, W. S. Cameron, S. G. Brock, all of Toronto.

Willard's

Preferred Dividends Now Payable But Earnings Short of Depreciation

Willard's Chocolates Ltd. has been able to earn operating profits but has shown net losses after allowing for depreciation for the past three years.

Dividends on the $474,000 of 6½ per cent preferred stock were waived by holders up to March 31, 1935. The company has not resumed preferred dividend payments with expiration of the waiver.

Blue Ribbon Control

Operations of the company are directed by Blue Ribbon Corp. which acquired all the common stock at $15 a share this year. It will be necessary to pay dividends on Willard's preferred stock before it is possible for Blue Ribbon Corp. to reap dividends on its common shares.

Willard's manufactures all types of solid chocolate products for distribution throughout Canada and for export. The company formerly went into the dairy and ice cream business, but this did not prove profitable, and its dairy plant in Toronto was sold to Silverwood's.

Capitalization—	Authorized	Outstanding
Pref. cum. Par $100.	$1,250,000	$474,000
Common N.p.v.	15,001 shs.	15,001 shs.

Dividend Record—
Preferred — Entitled to 6½ per cent cumulative from Mar. 1, 1935, payable 1st March, June, Sept. and Dec. Payments made by Blue Ribbon Corp. Mar. 1 and June 1, 1932, under its guarantee. Settlement of dividends to Mar. 1, 1935, made in Dec., 1933, by payment of $3 cash and ¼ pref. share of Blue Ribbon Corp. on each share of William's preferred. None being paid.

Common—None paid.

Head Office—Toronto.

Officers and Directors—
Officers—W. S. Greening, pres.; C. E. Spooner, vice-pres. and man. dir.; J. C. Jamieson, treas.; E. M. Bragg, sec.

Directors — W. S. Greening, C. E. Spooner, D. H. McDougall, H. B. Housser, J. W. Mitchell, all of Toronto; J. M. de C. O'Grady, Winnipeg.

Five Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	47,182	38,400	7,175
1929	176,466	37,920	35,115
1930	94,060	28,440	40,735
1931	*21,557	....	*35,822
1933	38,065	....	*26,997
1934	46,055	....	14,463

* Deficit.
Note—No statement issued for 1932.

Connors Bros.

Sardine Sales Satisfactory This Year — Spend Money on Betterments

Connors Bros. has experienced a good volume of business during the current year. This company not only supplies the major proportion of the domestic market for sardines and other canned fish products, but also engages in the world-wide export trade, which accounts for an annual production of over 35 million tins.

During the current year, the company has undertaken an extensive capital programme. The oil power plant was more than doubled by the installation of a modern engine; at the Freeport haddie factory, a complete unit for manufacturing fish meal was installed. This will enable the company to dispose of a large amount of offal, which in the past has been more or less of a nuisance.

Add to Equipment

Lumber operations of the sawmill at Black's Harbor were substantially added to this year, while the fishing fleet was increased by the addition of two modern motor boats.

At present, Black's Harbor has invested in plant and subsidiary industries, about $1.4 millions. Direct employment is provided for around 600 persons, while indirectly some 1,500 fishermen are dependent upon the company for the sale of their catch.

Capitalization—	Authorized	Outstanding
Pref. ($100 par)	$250,000	$250,000
Common (n.p.v.)	5,000 shs.	4,000 shs.

Funded Debt—
6½ per cent first mortgage sinking fund coupon bonds, due 1938; outstanding, $125,000.

Dividend Record—
Preferred—7 per cent payable quarterly, Mar., June, Sept. and Dec. 1.

Common—$5 paid in 1927; $6 in 1928; $7 in 1929; $8 in 1930; $4 in 1931; and $2 in 1932.

Head Office—Black's Harbour, N.B.

Officers and Directors—
Officers—A. N. McLean, pres.; L. V. Lingley, vice-pres.; A. M. A. McLean, rteas.; J. M. Scovil, sec.

Directors—A. N. McLean, L. V. Lingley, J. M. Scovil, Saint John, N.B.; C. H. Easson, Toronto; A. M. A. McLean, Black's Harbour, N.B.; Hon. B. M. Hill, Montreal.

N. S. Cranberry Crop

There is every indication that the Nova Scotia cranberry crop will be of good quality this year and exceed that of 1934.

CONSTRUCTIVE DEVELOPMENTS MARK CANADA'S LARGEST FOOD CHAIN

Dominion Stores remain today Canada's largest food chain having 487 stores in operation in four Provinces. Dominion Stores are an integral part of the communities in which they operate, each having a local personnel who exercise a considerable purchasing power in their respective communities.

A thorough housecleaning of the stores has been completed, a major advance being the inauguration of a system of coding merchandise which will at all times ensure completely fresh merchandise. The majority of stores have been re-painted in a two-tone green color scheme, and already the profitable results of this rehabilitation are apparent.

Shareholders of Dominion Stores have had a satisfactory experience from the policies which have placed the interest of the consumer first—policies which have builded a great Canadian grocery business on an enduring foundation.

DOMINION STORES LIMITED
"Where Quality Counts"

Acadia Sugar

Readjustment of Funded Debt Undertaken — Reduction in Arrears

Further improvement has been recorded by Acadia Sugar Refining Co. While operations of all the sugar refining companies are understood to be on a somewhat lower basis this year, income has been well maintained, with the result that the management of Acadia Sugar has been steadily reducing the arrears of dividends on the preferred stock. The regular dividend is being paid, but in addition the company has been paying extras. Consequently the arrears, which at one time were more than 20 per cent, have been lowered to a point where it is expected that they will be entirely liquidated next year.

Important changes have taken place in connection with the company's funded debt. Last May Acadia Sugar called for redemption all of its outstanding general mortgage bonds amounting to less than $600,000. These bonds were redeemed on July 1, and as they carried a seven per cent coupon, the company was able to effect a considerable saving in interest charges.

Create New Issue

Toward the end of last month, shareholders approved of a proposal to refund $1.5 million of the company's first mortgage bonds. The proposed loan, at its lower interest rate, will be used to retire all but $300,000 of what now remains of the company's original $2.5 millions first mortgage bond issue. The balance will be taken care of through the depreciation reserve fund.

Capitalization—	Authorized	Outstanding
Pref. cum. Par $5 and £1.	$1,500,000	$1,500,000
Common Par $5 and £1.	1,500,000	1,500,000

Funded Debt—
6 per cent 1st mtge. S. F. bonds, due 1946, outstanding $1,974,400.

Dividend Record—
Preferred— 6 per cent cumulative, payable Mar., June, Sept. and Dec. 1; paid semi-annually prior to 1933. Paid regularly from Dec. 15, 1930, and following payments made on arrears: 1% Dec., 1931; 1% June, 1932; 2% Dec., 1932; 1% Mar. and June 1, 1933; 1½% Sept. 1, 1933, and quarterly since.

Head Office—Halifax.

Officers and Directors—
Officers—J. McG. Stewart, pres.; D. R. Turnbull, man. dir. and sec.

Directors — J. C. MacKeen, J. McG. Stewart, D. R. Turnbull, W. A. Black, Halifax; J. Mitchell, J. B. Ramsay, R. Thom, Glasgow, Scotland; Hon. T. W. McGarry, Toronto.

Times All Interest Earned—

	1934	1933	1932
Before deprec.	4.40	4.86	4.47
After deprec.	2.30	2.96	2.73

Earn. per Share and Div. Record—

	1934	1933	1932
Pref.: Earned†	$0.58	$0.96	$0.92
Paid	.30+.30*	.30+.25*	.30+.15*
Com.: Earned*	0.28	0.86	0.02

None paid.

†Earnings calculated before making provision for arrears in preferred dividends.
*Before provision for arrears but after full preferred dividends for the period.
*Paid on account of arrears.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	373,720	......	128,311
1930*	466,934	44,999	170,354
1931†	634,394	104,998	240,680
1932	715,973	134,997	391,287
1933	713,152	164,997	510,197
1934	585,944	179,997	503,721

*Year ended Jan. 3, 1931.
†Year ended Jan. 2, 1932.

Market Record—

	*1935 High	*1935 Low
Preferred	5	5

*To Oct. 8.

Bees and Winter Food

To pack bees away for winter without an adequate food supply is to court disaster. It is far better, says the Dominion Apiarist, to find living colonies with a surplus of food in the spring than to discover them dead or depleted through starvation.

City Dairy

City Dairy Co., Limited
The Drimilk Co., Limited

Head Offices:
Spadina Crescent, Toronto

Plants of the Company at:
TORONTO
WOODSTOCK
EMBRO
SIMCOE
LISTOWEL
STRAFFORDVILLE
PRINCETON

Branch Offices and Warehouses at:
MONTREAL, QUE.
WINNIPEG, MAN.
VANCOUVER, B.C.
SAINT JOHN, N.B.
LONDON, ENGLAND

Canadian Canners

ffening Prices for Canned Foods May Bring Recovery of Profits to Meet Dividends

anadian Canners Ltd., has elim- ted dividends on its second pref- nce shares this year. Reconsid- tion of dividends on the second ference stock is not expected un- fter the close of the fiscal year Feb. 29, 1936.

ast year, the company showed no nings on the second preference k, and did not cover the first ference dividend after deprecia- charges and bond interest. This erse showing, however, was tly due to conservative balance et valuations.

Current Operations

or the five months ended July, 5, operating experience of the npany was not altogether favor- e. The price of canned tomatoes, ajor staple, was soft, and tended reduce earnings. The price trend canned goods produced by the npany is of major importance to fits. The company's inventory ts are determined within the com- atively short canning periods h year.

ince the first of August, condi- ns have developed which favor e of this year's pack of fruits and etables at profitable prices. ces for practically all lines of ned foods manufactured or pro- sed by the company have stiffen- Conditions in the market for ned foods are considered more rly normal than for several years.

Market Better

etter exports have improved the s situation materially. Great tain has been a substantial im- ter of Canadian tomatoes because he scarcity of the Italian product partly to the Ethiopian conflict. s has removed a large part of the k which might ordinarily come the Canadian market.

he position of the market for company's canned fruits is also sidered favorable. Supplies from 1934 pack had been cleared away last summer, and this year's pack been bringing satisfactory prices. ports have also played a part in proving the canned fruit situation.

italization—	Authorized	Outstanding
pref. 6%......	$5,000,000	$3,884,850
Par $100.		
d conv. pref..	400,000 sh.	363,732 sh.
N.p.v.		
m. (n.p.v.)....	200,000 sh.	137,784 sh.

eneral mortgage bonds, 6 per cent, due 50, $2,273,500. First mortgage sinking nd, 6 per cent bonds of Dominion nners, due 1940, $829,900.

dend Record—
1st preferred—6 per cent, cumulative, payable 1st Jan., Apr., July and Oct.; paid regularly since Jan., 1928.
Second preferred—None at present; 12½c. per share paid Jan. 2 and Apr. 1, and 7½c. July 2, 1935. Bonus of 10c. per share paid Jan. 1934, and 2½c. Jan. 1935.
Common—None at present.

Subsidiaries—(Wholly owned)—
Canners Seeds, Ltd., Wellington, Ont. —Grows seeds for improvement of vegetables.
Pembroke Shook Mills, Ltd. — Makes boxes for canning and other industries at Pembroke, Ont.
Canners Machinery, Ltd.—Manufactures machinery and repair parts at Simcoe, Ont.
Wagstaffe, Ltd.—Hamilton, Ont.
St. Hyacinthe Canning Co.—St. Hyacinthe, Que.

Head Office—Hamilton.

Officers and Directors—
Officers—Avern Pardoe, pres.; Mark Bredin, chm. and 1st vice-pres.; W. R. Drynan, 2nd vice-pres. and gen. mgr.; C. E. Innes, asst. gen. mgr.; P. Croucher, sec.-treas.
Directors—W. R. Drynan, A. Leitch, Hamilton; Avern Pardoe, W. G. Lumbers, Mark Bredin, J. A. Northway, Toronto; Lt.-Col. W. G. MacKendrick, Oakville; W. L. Innes, C. E. Innes, Simcoe; E. A. Pearce, Picton; G. C. Edwards, Ottawa.

Times Interest Earned—

Yr. end. Feb. 28:	1935	1934	1933
Before depr. & after exch., int., etc.......	3.20	•3.81	•3.24
After depr., exch., int. etc.	2.43	•2.62	•2.35

Earn. per Share and Div. Record—

1st pref.: Earn.	$4.57	$8.83	$7.80
Paid	6.00	6.00	6.00
2nd pref.: Earn.	nil	*0.30	0.08
Earned†	nil	nil	nil
Paid	0.37½	0.30	0.47
Com.: Earned†	nil	nil	nil
Paid	nil	nil	0.05

* Before taking into consideration dividend provision governing second preference and common shares.
† After taking into consideration dividend provision governing second preference and common shares.
• Includes premium on U. S. funds.

Seven Years Earnings—

Year	•Earnings $	Dividends $	Surplus $
1927*	‡813,465	442,038	655,548
1928*	‡836,205	492,167	786,130
1930§	1,909,633	633,551	980,208
1931†	1,025,037	739,591	851,382
1932†	511,656	612,053	541,013
1933†	729,017	451,267	393,531
1934†	804,002	342,206	394,233
1935†	621,842	369,479	499,824

* Year ending Dec. 31.
† Year ending Feb. 28.
§ Jan. 1, 1929 to Feb. 28, 1930.
‡ After depreciation.
• After taxes.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Com....	6¾	3¼	8½	5	10¾	2½
1st pref.	94	75	94	75	81	48
2nd pref.	9⅝	4½	10½	7	14	3⅜

* To Oct. 8.

Canada Biscuit

ndholders Reorganize Capital and Change Name to McCormick's Ltd.

ondholders of Canada Biscuit Co. e passed a reorganization plan. e name of the company is being nged to McCormick's Limited. e present first mortgage bonds are be exchanged for 50 per cent of principal amount of new bonds, one new $50 par value preferred re for each $100, principal amount bonds held. The balance of the ncipal is to be cancelled, along h all claims for unpaid interest sinking fund payments due and aid up to and including May 1, 5.

he capital stock of the company eing increased by creation of an itional 65,000 common shares, by creation of 25,000, 6 per cent -cumulative redeemable partici- ing preferred shares of $50 par ue. Of the new preferred shares, 05 are to be issued and allotted holders of the first mortgage ies A bonds.

Other Changes in Mind

he trust deed securing the out- nding $285,000 prior lien bonds is be amended so as to reduce the e of interest to 5½ per cent from y 1, 1935, extend the maturity to y 1, 1950, and to increase the auth- zed amount by $200,000, making total authorized issue $485,000. than Cummings, Montreal, is to ume active direction of the com- y for a period of five years.

italization—	Authorized	Outstanding
ommon	89,000 shs.	89,000 shs.
N.p.v.		

ded Debt—
per cent prior lien bonds, due 1946, tstanding $300,000.
½ per cent mtge. S. F. bonds series A, ue 1946, outstanding $1,790,500. Inter- t due May and Nov. 1, 1932 and May 1, 33, waived; deferred Nov. 1, 1933; in efault May 1, 1934.

italization— (New)	Authorized	Issued
½% pr. lien bonds	$485,000	$285,000
½% income bonds	895,250	895,250
% non-cum. pfd.		
Par $50	1,250,000	895,250
ommon, n.p.v.	154,000 shs.	154,000 shs.

idend Record—
one paid.

sidiaries—(Wholly-owned)—
North West Biscuit Co., Ltd., Edmon- n, Alta.—Established in 1913.
D. S. Perrin & Co., Ltd., London, Ont. (Controlled)
McCormick Manufacturing Co., Ltd., ondon, Ont.—Established in 1858.
Paulin-Chambers Co., Ltd., Winnipeg. Established in 1876, incorporated in 899.
J. A. Marven, Ltd., Moncton, N.B.— stablished in 1906. Operates 640 acre rm for the supply of butter, eggs and ilk for use in the manufacture of the scuits and cakes.
Montreal Biscuit Co., Ltd., Montreal.— stablished in 1866.
North West Mill & Feed Co., Ltd., Ed- onton.—Formed to produce flour for e in biscuit making.

d Office—London, Ont.

icers and Directors—
Officers—F. A. McCormick, pres.; A. E. yle, vice-pres.; J. W. Ross, man. dir.; Lawson, sec.; E. G. Brown, treas.
Directors—F. A. McCormick, Ray Law- n, J. W. Ross, J. A. Chambers, London, nt.; N. E. Horton, W. S. Brooke, N. mmings, A. E. Kyle, Montreal; A. F. D. ace, Toronto.
Bondholders' Committee — R. D. Bell, P. S. Glassco, R. W. Steele. Secre- ry's office, 507 Place d'Armes, Mont- al.

nny Lind Investors Erased by Bankruptcy

ssets of Jenny Lind Candy Shops . have been sold to a new com- y, in connection with administra- n of the bankrupt estate for trade ditors. Holders of the former ferred and common shares of the npany will receive no return on ir investment. They are wiped

he new company is called "The ny Lind Candy Shops Ltd." . Howson of Lorne Mulholland, wson & Macpherson, Toronto, is stee. Some payment is likely to made to preferred creditors un- the bankruptcy but ordinary itors may fare rather poorly. preferred and common shares he old company are now of no

Hunt's Ltd.

Sales Higher in 1935, But Savarin Venture Will Have Important Influence on Profits

Hunt's Ltd. passed dividend payments ordinarily due July 2, 1935, on A. and B. shares in order to maintain the company's liquid position.

Sales and profits for the first half of 1935 were above those for 1934. The latter half of 1935, however, will be an important testing period for the company's new venture "Hunt's Savarin." The latter is a large restaurant in the heart of Toronto's financial district. Hunt's is operating a restaurant, soda fountain, and confectionery sales in this property. Hunt's has leased the property for five years with an option to renew for another five years at an increased rental. It is understood that the rental is not entirely fixed but includes a percentage basis of payment. This is a protection against possible adverse results if there were a large fixed rental.

The company operates a chain of candy and ice cream stores and tearooms in Ontario centres. It manufactures its own confectionery, ice cream and cakes.

Capitalization—	Authorized	Outstanding
Class A	100,000 shs.	18,656 shs.
Class B	15,000 shs.	15,000 shs.
No par value.		

Dividend Record—
Classes A and B—None at present. $1 per annum paid in 1929 and 1930; increased to $1.40 April, 1931; decreased to $1 July, 1932, and to 50c. April, 1933; deferred July, 1935; none since. Bonus of 50c. per share paid Jan., 1930, and Jan., 1931.

Subsidiary—
Modern Properties, Ltd. — Formed in 1930 to take over property on Bloor St. near Yonge St., Toronto. Property acquired to assure company of a site should lease on present store not be renewed. Wholly owned.

Head Office—65-67 Walker Ave., Toronto.

Officers and Directors—
Officers—H. W. Hunt, pres. and man. dir.; L. K. Hergert, sec.-treas.
Directors—H. W. Hunt, A. F. Schnaufer, J. A. Young, J. H. Ratcliffe, L. K. Hergert, all of Toronto.

Earnings per Share and Dividend Record—

Classes A & B:	1934	1933	1932
Earned	nil	nil	nil
Paid	$0.50	$0.50	$1.10

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	*69,668	42,869	171,234
1929	139,360	53,594	216,513
1930	138,897	50,484	251,072
1931	102,985	47,118	172,891
1932	50,041	37,021	135,047
1933	39,230	16,832	106,967
1934	33,089	16,832	71,316

*Net profit.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Class A	11	6	19	9	14	4½
Class B	11	7	16	8½	10	5

*To Oct. 8.

Canada Tea Co.

Canada Tea Co. has given evidence of improved business by paying a dividend on October 3 of 2 per cent. This is the first dividend paid since 1933 and dividends are now 29½ per cent in arrears.

Stock of Canada Tea Co. is closely held. The company deals in tea, coffee and spices both at wholesale and retail, and operates branches at Peterborough, Hamilton, Brantford, Woodstock and London.

Capitalization—	Authorized	Issued
Pref. 7% cum. ...	$ 500,000	$175,000
Common	1,000,000	333,000
Par $100.		

Thirty-six preferred and eighteen common shares are held in trust for the company.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable 1st Jan., Apr., July and Oct. No dividends paid 1923-24; 1925, 2% paid; 1926, 5%; 1927, 3%; 1928, 5%; 1929, 9%; 1930, 1931, 1932, 10%; 1933, 7%. As at June 3, 1933, dividends were 39% in arrears.
Common—None since 1913.

Head Office—Toronto.

Officers and Directors—
•Officers—C. J. Scandrett, pres. & man. dir.; J. H. Scandrett, vice-pres.; J. Hobson, sec.-treas., Toronto.
Directors—C. J. Scandrett, C. T. Stark, J. Hobson, J. H. Scandrett, S. B. Playfair, Toronto.

Viau Biscuit

Financial Position Undergoes Improvement This Year

Highly competitive conditions in the last two or three years have had their influence upon earning power of the Viau Biscuit Corp. Prior to that time the company had developed a well established earning power, substantially in excess of dividend requirements on the first preferred stock. In 1932 and 1933 there was nothing available for the capital stock, but last year earnings totalled $2.40 a share on the first preferred, indicating an upward trend in conditions. Taxation rests heavily on the company but in view of the progress made last year, further improvement is expected.

During the present year the company has been able to effect a marked improvement in its accounts receivable. At the close of 1934 the balance sheet showed $283,242 in receivables. At the annual meeting in March last, the president stated that practically all the outstanding accounts receivable had been collected. Furthermore, bank loans of $80,000, reported in the 1934 statement, had been liquidated.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	50,000 shs.	25,000 shs.
1st pfd. cum. 7% ($100 par).	$2,500,000	$946,000
2nd pfd. cum. 7% ($100 par).	1,000,000	470,000

Funded Debt—
6½ per cent general mortgage bonds, due 1946; outstanding $325,000.

Dividend Record—
1st preferred — Entitled to 7 per cent cumulative, payable Jan., Apr., July and Oct. 1; paid regularly to Oct. 1, 1932; none since. Arrears as at Dec. 31, 1934, $148,995.
2nd preferred—7 per cent cumulative, payable same dates as 1st preferred; payment passed in 1927, resumed in 1928 and arrears paid-up in 1930; paid regularly from 1928 to Jan. 1, 1932; none since. Arrears as at Dec. 31, 1934, $96,700.
Common—None paid.

Head Office—Montreal.

Officers and Directors—
Officers—Théophile Viau, pres.; Albert Hudon, vice-pres.; Emile Chaput, man. dir. and sec.; Lucien St-Mars, treas.; W. Bousquet and J. A. Boucher, sales mgrs.; A. Giguère production mgr.
Directors—Théophile Viau, A. Hudon, Emile Chaput, G. H. Rainville, J. A. Lemieux, J. E. Labelle, G. Perron, Montreal.

Times Bond Interest Earned—

	1934	1933	1932
After other int. & before deprec.	4.76	2.13	2.30
After other int. & deprec.	2.98	0.76	0.93

Earn. per Share & Div. Record—

	1934	1933	1932
1st pref.: Earned	$2.40	nil	nil
Paid	nil	nil	$5.25
2nd pref.: Earned ..	nil	nil	nil
Paid	nil	nil	nil
Common: Earned..	nil	nil	nil
None paid.			

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	243,337	102,900	63,068
1930	315,467	102,900	110,796
1931	218,784	102,900	87,800
1932	56,763	50,680	2,940
1933	52,868	....	*32,611
1934	106,458	....	*67,357

*Deficit.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Com. ..	2	1	5	1	7	2
1st pref.	20½	12	23	17	40	29

*To Oct. 8.

Laura Secord

Operations on Even Keel—Large Bond Holdings Give Partial Investment Trust Aspect

Laura Secord Candy Shops Ltd., continues to operate on an even keel. Earnings have been covering the dividend of $3 a share by a comfortable margin. Profits in the fiscal year ended Sept. 30, 1935, compare favorably with those in the preceding year.

The company manufactures and distributes chocolate products and confections through a chain of 75 stores in Ontario and Quebec cities. A notable characteristic of retail sales policy has been the spotless white of each shop.

In 1933, the company entered a lower price field by incorporating a new chain, Candyteria Ltd., to sell lower-priced confections. Outside this development, there has been no major programme of expansion in the past two years. Candyteria Ltd. has been successful and is returning profits to Laura Secord.

The financial position of the company is exceedingly liquid, there being large holdings of government bonds. Income from these investments is an important contribution to annual profits available for dividends. Chief fluctuations in profits, however, depend upon earnings from the confectionery business.

The large holdings of government bonds give the common stock partly the aspect of an investment trust.

Laura Secord formerly had an investment in Fanny Farmer Candy Shops Inc. in holdings of 3,133 preferred shares which, however, were redeemed at $38 a share on October 1, 1934.

Capitalization—	Authorized	Outstanding
Common	57,500 shs.	57,500 shs.
No par value.		

Funded Debt—
None.

Dividend Record—
Common: present rate $3 per annum, payable Mar., June, Sept. and Dec. 1. Initial dividend of 50c. paid Dec., 1928, and regularly to Dec., 1929, when increased to present rate.

Head Office—
60 Bathurst St., Toronto.

Officers and Directors—
Officers—Frank P. O'Connor, pres. and chm. of board; J. D. Hayes, 1st vice-pres. and gen. mgr.; W. J. O'Connor, 2nd vice-pres.; C. P. Moher, 3rd vice pres.; C. H. Ellston, sec.-treas.
Directors—Frank P. O'Connor, J. D. Hayes, C. H. Ellston, C. P. Moher, Toronto; A. A. Audette, Montreal.

Subsidiary—
Candyteria, Ltd. Incorporated June, 1933, with a Dominion charter. Authorized capital, 500 shares of no par value. Wholly owned by parent company.

Earn. per Share and Div. Record—

	1934	1933	1932
Common: Earned	$3.77	$3.79	$4.89
Paid	3.00	3.00	3.00

Six Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1929	379,765	120,716	500,246
1930	379,754	171,573	788,427
1931	300,037	172,513	836,744
1932	281,262	172,500	945,506
1933	218,037	172,500	987,043
1934	216,687	172,500	1,090,594

* After all operating expenses and provisions for bonus, depreciation, income taxes and in all years except 1931, depreciation in market value of bonds and reserve against investment in associated company.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Com....	63	59	60	47½	51	36

*To Oct. 8.

Cereal Production

Cereal production for August, 1935, was as follows with the figures for the same month last year in brackets and the quantities in pounds: Oatmeal, 493,528 (416,383); rolled oats, 7,977,920 (10,644,925); corn flour and meal, 2,321,062 (2,215,456); pot and pearl barley, 144,350 (150,361); and buckwheat flour 72,890 (55,372).

Geo. Weston

Biscuit, Bread and Candy Makers Report Expansion in Four Countries

Geo. Weston, Ltd., raised the dividend on its new common stock from 50 to 60 cents a share early in September. Earnings in 1934 were $1.04 a share on the basis of the present 375,854 no par value common shares. Satisfactory earnings are reported so far in 1935.

Geo. Weston, Ltd. through its various subsidiaries does an international business in Canada, United States and Great Britain. In Canada, the company's plants report improvement in practically all lines. Brantford reports a considerably increased demand for its candy both from domestic and export markets.

The United States venture at Passaic, New Jersey, has been expanding both as to territory covered and equipment bought in the last two years. Profits in 1934 greatly exceeded 1933 and are stated to be increasing in 1935.

The main efforts of the company in its 1935 expansion have been concentrated in the United Kingdom and Ireland. James Calder, formerly of Toronto, has been put in charge of all Weston bread subsidiaries in the British Isles.

Stewart Cash Stores, Ltd., in Belfast, Ireland, taken over by Westons, is expanding sales and opening new shops under the former proprietor, J. L. Stewart. A stock issue of this company, guaranteed as to dividends by Geo. Weston, Ltd., was over-subscribed in England. The business consists of 29 retail stores, bakery and biscuit factory.

The company has obtained control of Bradford's, of Birmingham, which reports progress, of Chibnall's which was losing money in London when acquired but is now said to be breaking even. The earliest venture in Scotland, Mitchell & Muil, of Aberdeen, was transferred to Edinburgh and is reported to have made money from the beginning. Other important ventures in the British Isles, it is understood, are being considered.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	400,000 shs.	375,854 shs.
Pref. 7% cum. .. (Par $100).	$1,000,000	*$900,000

*Of which the company's subsidiary, Wm. Paterson, Ltd., owns 81 shares of preferred and 2,200 shares of common stock.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent payable quarterly, Feb., May, Aug. and Nov. 1. Paid regularly since May, 1928.
Common (new)—Present rate 60 cents per share per annum, payable quarterly, Jan., April, July and Oct. 1.

Subsidiaries—
William Paterson, Ltd. — Brantford, Ont. All common stock held by parent company.
Weston Biscuit Co. Ltd., Watertown, Mass.—Has sole right to manufacture Weston's biscuits in United States. Capital stock: 50,000 shares n.p.v. common. Controlled by parent company through ownership of common stock. Funded debt: outstanding $118,500, 7 per cent gold notes due 1941.
George Weston Bread & Cakes, Ltd., which owns outright Regal Bakeries, Ltd., Toronto and Oshawa, and Lawlor Bread Co., Toronto. In 1933 acquired assets of Ontario Bakeries, Ltd., consisting of bakeries at Stratford, Guelph, St. Catharines, Woodstock, Barrie, North Bay and Sudbury, Ont., all of which are operated as distributing depots.
Independent Biscuit Co., Ltd.—Manufactures biscuits, etc., in Calgary, Alta., and acts as a sales outlet for George Weston Ltd., and Wm. Paterson, Ltd., the two companies jointly controlling the concern. Control acquired in 1931 through exchange of Wm. Paterson Ltd. preferred stock for the stock of the company. Outstanding stock, $150,000 7 per cent first preferred; $57,700 7 per cent second preferred and 5,000 no par value common shares of which the two companies hold $85,700 first preferred, $57,700 second preferred and 4,154 common shares.
Mitchell & Muil, Ltd., Aberdeen Scotland, wholly-owned; acquired in 1933. Also other companies are being acquired by a holding company in England.

Head Office—134 Peter St., Toronto.

Officers and Directors—
Officers—Ben. E. Smith, chairman of the board; W. Garfield Weston, pres. and man. dir.; F. W. St. Lawrence, vice-pres. and gen. mgr.; C. W. Kerr, sec.; R. A. Robertson, treas.
Directors—Ben. E. Smith, New York City; W. Garfield Weston, F. W. St. Lawrence, C. W. Kerr, R. A. Robertson, Toronto; D. L. Chrysler, Brantford, Ont.; R. E. Watson, Passaic, N.J.

Earnings per Share and Dividend Record—

	1934	1933	1932
Pref.: Earned	$50.46	$32.45	$13.55
Paid	7.00	7.00	7.00
Com.: Earned ...	†2.08	2.58	1.09
Paid	1.00	1.00	1.00

†On old stock before it was split 2 for 1.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	152,930	68,534	232,791
1930	210,431	113,000	282,946
1931	153,963	115,094	282,085
1932	137,322	117,347	285,224
1933	342,175	133,253	652,879
1934	672,871	243,641	874,408

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Common	†16	13¾	†47⅞	28	59½	16⅛
Pref. ...	115	100	100	88½	90½	67

*To Oct. 8. †New.

David et Frere

Sales Volume Greater This Year — Low Prices Curtail Earnings

David et Frère, Montreal biscuit and confectionery manufacturers, recorded an improvement in its net operating profits during 1934. While the gain was not large, the trend was more encouraging than it has been for some time past. Competitive conditions in the confectionery and biscuit industry have been unusually keen, with the result that the manufacturers have found it difficult to operate profitably.

Capitalization—	Authorized	Outstanding
Class A non-cum.	23,000 shs.	23,000 shs.
Class B	23,000 shs.	23,000 shs.
No par value.		

Funded Debt—
None.

Dividend Record—
Class A—None at present; $2.25 paid regularly from Sept. 15, 1928 to June 15, 1931; reduced to $1 per annum, Sept. 15, 1931; passed March 15, 1932; none since.
Class B—None paid.

Head Office—Montreal.

Officers and Directors—
Officers — De Gaspé Beaubien, pres.; Henri Merrill, vice-pres. & gen. mgr.; L. R. Philie, sec.-treas.
Directors—De Gaspé Beaubien, Henri Merrill, George O. Soucie, Emilien Gadbois and F. A. Beique, all of Montreal.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	116,815	51,750	114,196
1930	103,127	51,750	160,212
1931	†13,157	37,490	71,001
1932	15,688	....	54,266
1933	11,913	....	34,564
1934	21,785	....	25,047

†Loss.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Class B ..	1	1	1¼	1	2	1
Class A ..	4	1⅜	2⅝	2	5	2

*To Oct. 8.

Dairy Corp.

Capital Reorganization Complete But Banking Snags Still Remain

Although capital reorganization of Dairy Corporation of Canada and its subsidiaries has been effected, the affairs of the company remain involved. This is largely due to its banking situation. A consequence is that the annual report for 1934-35 has not been issued. An analysis of these complexities is made in a separate news story in this issue.

In the year ended Dec. 31, 1933, Dairy Corporation had a loss of $73,581, after charging depreciation, and paying interest and dividends on outstanding securities of subsidiaries. This compared with a loss of $73,314 in 1932. These losses were recorded before payment of interest on debentures of Dairy Corporation.

Earnings Gaining

In the past year, earnings have continued to improve, so that the company's subsidiaries are now showing earnings sufficient to allow Dairy Corp. to pay its debenture interest and to earn its way under the reorganization. It is still questionable, however, whether Dairy Corporation will be able to draw down sufficient dividends from its subsidiaries to be able to pay its own debenture interest in 1936.

Subsidiary Operations

Canada Dairies Ltd., Toronto subsidiary, is enjoying earnings which would allow payment of dividends on preferred stock, most of which is held by Dairy Corporation. Dividends, however, have been withheld.

City Dairy Ltd., Winnipeg, has had its fixed charges materially reduced by exchange of its former 7 and 8 per cent preferred shares for new class A stock. The class A shares carry non-cumulative preferred dividends, which have not been paid.

Mount Royal Dairies has had the interest rate reduced from 7 to 5 per cent on its general mortgage bonds, but has issued $510,750 of 3-1/3 per cent debentures to the Bank of Montreal in return for interest arrears and concessions. Deficit had reached nearly $50,000 at the middle of 1935, so that revenue from this company is unlikely in the near future.

Edmonton City Dairy continues to earn its preferred dividend, and is one of the most profitable units in Dairy Corp.

New Capitalization—

6% gold deb., due 1954	$1,200,000	$636,000
Class A, n.p.v.	72,000 sh.	54,316 sh.
Class B, n.p.v.	75,000 sh.	35,800 sh.

Dividend Record—
Classes A and B—None paid. Preferred (old) entitled to 6 per cent cumulative, payable 1st Jan., Apr., July and Oct.; paid regularly Oct., 1929, to Oct. 1, 1931; none since.
Common (old)—None paid.

Subsidiaries—
City Dairy, Ltd.
Purity Dairy Products, Ltd.—Formerly the Davis Dairy, Ltd. Engaged in wholesale and retail milk business in Saskatoon, Sask. Dairy Corp. owns all common stock.
Edmonton City Dairy, Ltd.
Mount Royal Dairies, Ltd.
The Prairie Creameries, Ltd.—Regina, Sask. Owned outright.
The Purity Dairy, Ltd.—Regina, Sask. Controlled by Dairy Corp.
Purity Ice Cream Ltd.—Winnipeg, Man. Controlled by Dairy Corp.
Canada Dairies, Ltd.—Toronto. Incorporated to take over company of same name. Control bought by Dairy Corp. in 1931. **Funded Debt**—6 per cent first and refunding mortgage S. F. bonds, due 1951, outstanding $144,000.

Interest in Other Companies—
United Dairies, Limited—As at Dec. 31, 1933, Dairy Corp. held 5,000 common shares.
Woodland Dairies, Limited—As at Dec. 31, 1933, Dairy Corp. held 27,000 shares.

Head Office—Toronto.

Officers and Directors—
Officers—J. A. Caulder, pres. & man. dir.; R. A. Daly, vice-pres.; H. W. Tasker, sec.-treas.
Directors—J. A. Caulder R. A. Daly, A. H. C. Bearisto, W. P. Fess, R. N. Bryson, H. G. Stapells, J. A. McFeeters, J. P. Walwyn, Toronto, W. W. Prevey, Edmonton; F. E. M. Robinson, Richmond, P.Q.

CITY DAIRY, LTD., of Winnipeg
(Controlled by Dairy Corporation)

New Capitalization:*

Cl. A pref., n.p.	4,500 shs.	4,500 shs.
Cl. B com., n.p.	5,000 shs.	3,000 shs.

*Excepting bonds which remain constant.

For each share of old preferred holders received one new class A share; Dairy Corp. held all old common stock, 3,000 shares of which were cancelled and the balance exchanged for 3,000 class B shares.

Funded Debt—
6 per cent 1st mtge. S. F. bonds, series A, due 1948, outstanding $222,000; series B, due 1950, outstanding $186,500.

Dividend Record—
New class A and B—None paid to date.
Preferred (old): 8 per cent cumulative, 7 per cent non-cumulative, payable Jan., April, July and Oct. 1; both paid regularly from incorporation to April 1, 1932; none thereafter. Common: initial dividend of $1 paid April 1, 1931; 50c paid Nov. 1, 1931; none thereafter.

Head Office—Winnipeg.

Officers and Directors—
Officers—J. A. Caulder, pres.; Douglas H. Ross, vice-pres.; R. J. L. Ball, gen. man.; Max McCrea, sec.-treas.
Directors—J. A. Caulder, Toronto; Douglas H. Ross, E. W. Kneeland, William E. Milner, Harry Strange, E. W. McLean, R. J. L. Ball, Winnipeg.

MOUNT ROYAL DAIRIES
(Controlled by Dairy Corp. of Canada)

Capitalization—	Authorized	Outstanding
Cl. A com. n.p.v.	3,152 shs.	3,152 shs.
Cl. B com. n.p.v.	100,000 shs.	100,000 shs.

Over two-thirds class A and about 92 per cent of class B owned by Dairy Corp.

Funded Debt—
6% 1st mtge. s.f. bonds, due 1950, outstanding $1,000,000.
5% gen. mtge. bonds, due 1945, outstanding $500,000; $223,000 pledged with bank, rest owned by Dairy Corp.
3 1/3 per cent debentures owned by bank; interest accrues from Jan. 1, 1937, redeemable at 66 2/3 of par after May 31, 1937.

Dividend Record—
Class A—None paid.
Class B—None paid.

Subsidiary—
Franklin Dairies Ltd.—Wholly owned.

Head Office—Montreal.

Directors—C. H. Cattelli, F. E. M. Robinson, D. L. Grabill, F. W. Paynter, E. E. Johnston, A. Teasdale, H. Tillison, Montreal; J. A. Caulder, R. A. Daly, Toronto.

EDMONTON CITY DAIRY
(Controlled by Dairy Corporation)

Capitalization—	Authorized	Outstanding
Pref. cum.	$1,000,000	$779,100
Par $100.		
Common	30,000 shs.	30,000 shs.
No par value.		

Over 29,000 common shares are owned by Dairy Corp.

Dividend Record—
Preference—6½ per cent per annum, cumulative, payable quarterly Jan., Apr., July and Oct. 1. Initial dividend at rate of 6½ per cent per annum, paid Apr. 1, 1929, and regularly since.
Common—Initial dividend of $1 per share paid Jan. 2, 1930. None since.

Head Office—Edmonton.

Officers and Directors—
Officers—W. W. Prevey, pres.; J. A. Caulder, vice-pres.; C. Kehoe, sec.-treas.
Directors—W. W. Prevey, H. P. Madsen, W. A. Thompson, Edmonton; C. Burnell, North Edmonton; W. Ardern, Calgary; J. A. Caulder, Toronto.

B. C. Salmon Salting

It is expected that the salmon dry salting industry on the British Columbia coast will operate on a much larger scale this season in view of larger market prospects in Japan. Thirty-one dry saltery licenses have been issued, compared with fifteen operating last year.

Silverwood's

Sales and Earnings Gain But Dividend Passed to Pay Off Bank Loan

Silverwood's Dairies Ltd. and its operating subsidiaries had improved business, and showed increased profits in the year ended March 31, 1935. Dividends on Silverwood's Dairies 7 per cent preferred stock, however, have been passed. One reason is that the company incurred a special bank loan of $125,000 last March to purchase the dairy plant of Willard's Chocolates, Ltd., in Toronto.

This bank loan had been reduced to $25,000 at the end of August. Repayment of the bank loan may allow resumption of at least partial payment on the preferred stock next year, provided earnings continue satisfactory. Up to the end of 1934, the company had been paying $4 a share on the preferred.

Holds and Operates

Silverwood's Dairies Ltd. is both a holding and an operating company. It has over 20 operating subsidiaries. Operations are carried on entirely in Ontario, chiefly in the thickly-populated southwestern area, including Toronto. Combined sales of the Silverwood firms amounted to $7,164,305 in 1934-35, compared with $6,679,325 in the preceding year. Although there were increases in costs, earnings on the preferred stock were the equivalent of $5.08 a share, compared with $3.61 a share in 1934.

The business has grown gradually, from the original establishment in 1903 by A. E. Silverwood. Between that time and 1928, various individual Silverwood dairies and creameries were formed, and most of them have come under the control of Silverwood's Dairies. The result is that the parent company has a horde of subsidiary firms, which causes expenses and taxation to be somewhat higher than if all of these firms were combined into one.

Working Capital Low

Silverwood's Dairies consolidated income account has shown that the company has been able to earn profits consistently on its preferred shares. It has not been able recently, however, to earn preferred dividends in full. A shortage of working capital has been one of the handicaps under which the company has operated. The effect of this can be seen in suspension of preferred dividend payments while the Willard plant is being paid for.

At the annual meeting held Aug. 22 and at an adjournment on Sept. 4, 1935, lengthy explanations were made to shareholders of certain transactions which they were asked to approve. Shareholders consented to cancelling certain dividend guarantees given by A. E. Silverwood and his personal companies, and approved reimbursements to them.

Changes Explained

The reimbursements were largely payments made by Mr. Silverwood and his personal firms on account of Silverwood's Dairies at times when the Silverwood's Dairies was short of cash. Cancellation of dividend guarantees amounted to wiping out an amount of $128,459 owing to Silverwood's Dairies. Mr. Silverwood pointed out that payments he had already made gave him claims for return of same from Silverwood's Dairies to an amount of more than $196,000. In return for wiping out his liability, Mr. Silverwood foregoes claims against Silverwood's Dairies for payments he had already made under the guarantees.

Capitalization—	Authorized	Outstanding
7% cum. pref. .... $100 par.	$5,000,000	$2,913,500
6% cum. pref. .... $100 par.	5,000,000	....
Class A com. .. No par value.	975,000 shs.	149,590 shs.
Common .... No par value.	25,000 shs.	25,000 shs.

Funded Debt—
6 per cent collateral trust S. F. debs., series A, due 1942, outstanding $366,150. In addition, installments received on deferred payment subscriptions on this issue totalled $7,654 as at April 1, 1934.

Funded Debt of Subsidiaries—
7 per cent first mortgage bonds of Silverwood's Ltd., due 1937; outstanding $123,900.
6½ per cent first (closed) mortgage sinking fund bonds of Silverwood's St. Catharines Dairy, due 1943; outstanding $43,600.
6½ per cent first (closed) mtge. sinking fund bonds of Silverwood-Burke Dairy, due 1943; outstanding $1,000.
6 per cent first mtge. bonds of London Cold Storage Co., due 1938; outstanding $21,750.

Dividend Record—
7 per cent preferred—Entitled to 7 per cent per annum, cumulative. None being paid at present. Initial dividend of 1¾ per cent paid Oct. 1, 1928, and regularly thereafter to April 1, 1932, when declaration of quarterly disbursement made, but payment deferred to June 1, 1932. Payment due July 1, 1932 paid July 30, 1932; regular quarterly payments made Oct. 1, 1932, and Jan. 3, 1933; $1 per share paid April 1, 1933 to Jan. 1, 1935. None since.
Class A and common—None at present; 25 cents paid quarterly from Oct. 1, 1928 to July 1, 1931; 12½ cents paid Oct. 1, 1931; none since. All three classes payable 1st Jan., Apr., July and Oct.

Subsidiaries—
As at Apr. 1, 1934, the capital stocks of subsidiary companies were entirely owned by the parent company with the exception of a minority interest of $2,835.
Silverwood's Ltd., London, Ont.
Silverwood's Storage Ltd., London Ont.
Silverwood's St. Catharines Dairy, Ltd.
Silverwood's Lucknow Creamery, Ltd.
Silverwood's Windsor Dairy, Ltd.
Silverwood's Kitchener Dairy, Ltd.
Silverwood's Elmira Creameries, Ltd., and its subsidiary, **Elmira Creamery Co. Ltd.**
Silverwood's Chatham Dairies, Ltd.
Silverwood's Sarnia Dairy, Ltd.
Silverwood-Burke Dairy, Ltd., Hamilton.
Silverwood's Brantford Dairy, Ltd., and its subsidiary, **Brant Creameries, Ltd.**
Silverwood's Peterborough Dairy Ltd., and its subsidiary, **Indian River Dairy Ltd.**
Silverwood's Stratford Dairy, Ltd.
Silverwood's Woodstock Dairy, Ltd.
London Cold Storage Company, Ltd.
Silverwood's Guelph Dairy, Ltd.
Silverwood's Oxford Dairy, Ltd.
Silverwood's Toronto Dairy, Ltd.
Silverwood's Forest Produce Co., Ltd.
Silverwood's North Bay Dairy, Ltd.
Silverwood's Sudbury Creameries, Ltd.
Silverwood's Cargill Creamery, Ltd.
Silverwood's Cayuga Creamery, Ltd.
Silverwood's Fergus Dairy, Ltd.
Silverwood's Milk Products, Ltd.
Ontario Creamery, Ltd.

Head Office—London, Ont.

Officers and Directors—
Officers—A. E. Silverwood, pres. and chm. of board; W. E. Robinson, vice-pres.; J. H. Duplan, gen. mgr.; J. H. Gillies, sec.-treas.; G. Blake, asst. sec.-treas.
Directors — A. E. Silverwood, W. E. Robinson, G. H. Belton, R. G. Ivey, London, Ont.; E. K. Reiner, Wellesley, Ont.; E. W. Nesbitt, Woodstock, Ont.; W. H Carruthers, Toronto, Ont.

Earnings per Share and Dev. Record—

Years end.:	Mar. 31 1935	Mar. 31 1934	Apr. 1 1933
7% Pref.: Earned	$5.08	$3.61	$6.83
Paid	3.00	4.00	5.25
Cl. A & Com. shs.:			
Earned	nil	nil	nil
Paid	nil	nil	nil

Earnings—Years ended March 31:

Year	Earnings $	Dividends $	Surplus $
1932	665,140	285,490	1,359
1933	541,675	203,150	1,507
1934	427,805	120,869	5,155
1935	519,912	87,405	1,550

†Not available.

East. Dairies

Governmental Regulations Add to Operating Difficulties

No material improvement has been reported in the operating revenues of Eastern Dairies, which through subsidiaries, operates in Montreal, Toronto, Hamilton, Ottawa, Winnipeg and elsewhere. During the year ended March 31 last, the company reported total income of $439,085, an increase of only $43,000 over the previous year. This was sufficient to take care of bond interest, depreciation and other prior charges, but left very little for the capital stock, on which no dividends are being paid.

Eastern Dairies, like the other operators, has been subject to increasing governmental regulation. Price control in some areas has stabilized the industry on an improved basis. In others, regulation has not been beneficial.

This year a lawsuit was filed against the company and its officials by holders of preferred shares of the Winnipeg subsidiary, Crescent Creamery Co. The action is dormant pending negotiations.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.) ..	*200,000 shs.	†93423 shs.
Pref. 7% cum. ... ($100 par).	$5,000,000	$2,500,000

*40,558 reserved for conversion of series A bonds.
†In addition 6,577 shares are subscribed and allotted but unpaid.

Funded Debt—
6 per cent first collateral trust convertible series A bonds, due 1949, outstanding $2,897,000.

Dividend Record—
Preferred—Entitled to 7 per cent per annum, cumulative, payable quarterly, Jan., April, July and Oct. 15. Initial payment made July, 1926, and regularly to and including Jan. 15, 1933; none since.
Common—None at present. Initial dividend of 25c. paid Nov., 1930, and regularly quarterly at that rate to and including Aug. 1, 1932; since passed.

Subsidiaries—
All the companies acquired have been consolidated under these subsidiaries:
Elmhurst Dairy, Ltd.—Operates dairy plant, 2 distribution depots, 2 creameries in Montreal and district.
The Producers Dairy, Ltd.—Company and subsidiary, **Hull Dairy, Ltd.**, operate dairy plant, distributing depot, 2 creameries and a cheese factory in Ottawa and district.
Crescent Creamery Co., Ltd.—Winnipeg.
Acme Farmers Dairy, Ltd. — Toronto and Hamilton.

Head Office—Montreal.

Officers and Directors—
Officers—W. R. Aird, pres. and man. dir.; P. A. Thomson, vice-pres.; E. W. King, sec.-treas.
Directors—W. R. Aird, A. J. Nesbitt, C. B. Price, P. A. Thomson, H. R. Trenholme, all of Montreal.

Times Bond Interest Earned—

Years ended Mar. 31:	1935	1934	1933
Before depr.*	2.45	2.15	2.41
After depr.*	1.18	1.06	1.31

*Times bond interest and premium paid and accrued on U. S. funds.

Earnings per Share and Div. Record—

Pref.: Earn.†	$0.46	$0.04	$1.24
Paid—			
Acme Farmers ...	....	....	7.00
Cres. Creamery ...	....	1.00	7.00
Eastern Dairies ...	....	....	5.25
Com.: Earned§ ...	....	....	nil
Paid	....	....	0.25

†Before income tax; calculated on combined preferred shares of company and subsidiaries then outstanding.
§Before income tax.

Six Years Earnings—Yr. end. Mar. 31:

Year	Earnings $	Dividends $	Surplus $
1930	724,987	279,682	153,442
1931	835,380	349,574	248,794
1932	801,689	383,099	257,682
1933	491,563	272,525	40,631
1934	396,046	*10,000	27,762
1935	431,625	......	35,773

*Crescent Creamery Co. dividends.

Market Record—

	*1935 H	L	1934 H	L	1933 H	L
Common	2⅝	1½	5	2	7	1½

*To Oct. 8.

CRESCENT CREAMERY
(Subsidiary of Eastern Dairies)

Capitalization—	Authorized	Outstanding
Preferred	$1,450,000	$1,000,000
Par $100.		
Common, n.p.v. ..	50,000 shs.	50,000 shs.

Common all owned by parent company.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable Jan., Apr., July and Oct. 15. Paid regularly to and including Apr. 15, 1933; none thereafter until $1 paid Apr. 16, 1934.

Head Office—Winnipeg.

United Dairies

Earnings Below Preferred Dividend Requirements

United Dairies Ltd. controls 28 creameries and distributing depots in Alberta and British Columbia. A report of net earnings for the year ended June 30, 1935, is not available, but net profit, after all charges, is understood to be less than the 6½ per cent dividend requirements on the preferred stock. The full preferred dividend was paid up to July 1, 1932, since when partial payments have been made. The last payment was made in July, 1935.

Dairy Corp. of Canada owns 5,000 common shares, or 10 per cent of the capital, but does not control the company. Net profit of United Dairies for the year ended June 30, 1934, amounted to $27,127, compared with dividend requirements on the preferred stock of nearly $44,000.

Capitalization—	Authorized	Issued
1st pref. 6½% ..	$1,000,000	$732,200
Par $100.		
2nd pref. 6%	400,000	400,000
Par $100.		
Common (n.p.v.)	50,000 shs.	50,000 shs.

Funded Debt—
None.

Dividend Record—
1st Preferred—Entitled to 6½ per cent p. a. cumulative, payable Jan. and July 2; paid regularly at 6½ per cent rate to July 1, 1932; 2 per cent Jan. 1, 1933; 1 per cent Jan. 2, 1¾ per cent July 2, 1934.
2nd Preferred—Entitled to 6 per cent cumulative, payable Jan. and July 2; none paid.
Common—None paid.

Head Office—Calgary.

Officers and Directors—
T. M. Carlyle, pres.; A. D. Campbell, E. Richardson, sec.; Dr. T. E. Hays, W. N. Henderson, E. T. Love, J. T. Burns, H. A. Howard, D. Morkeberg.

Earnings—
Net profit for year ended June 30, 1933, $27,127. Earnings per share on 1st preferred $3.61 in 1934, $3.49 in 1933; nil on other shares.

Borden's Ltd.

Giant U. S. Concern Puts Important Subsidiary in Canadian Hands

Borden's Ltd., subsidiary of Borden Co. of New York, is a holding company for a large number of Canadian dairy companies. It has an aggregate net tangible investment of about $19 millions in Canada with aggregate sales when last reported of about $28 millions.

Control of former Canadian dairy companies was obtained by the Borden Co., of New Jersey, by exchange of shares. It is understood that about 7 per cent of the shares of the parent company are now held by Canadians.

On April 17, 1935, par value of the shares was reduced from $25 to $15 and reduction in the value of unserviceable properties written off, reducing the capital surplus to $43,967,400.

Capitalization—	Authorized	Issued
Common	500,000 shs.	400,000 shs.
(n.p.v.)		

Principal Business Office—Montreal.

Officers — J. W. McConnell, chm. of board; S. J. Moore, pres.; G. M. Waugh, Jr., vice-pres.; E. L. Noetzel, treas.; W. H. Rebman, sec.; G. Bittner, H. K. Kramer, F. W. Schwartz, asst. treasurers; T. D. Waibel, asst. sec.
Directors—Hon. C. C. Ballantyne, Sir C. Gordon, J. W. McConnell, Hon. Donat Raymond, Montreal; G. C. Edwards, Ottawa; P. D. Fox, E. B. Lewis, A. W. Milburn, New York; S. J. Moore, Britton Osler, Toronto; H. H. Walker, Walkerville; Maj.-Gen. S. C. Mewburn, Hamilton; W. Page, R. D. Ward, G. M. Waugh, Jr.

ACME FARMERS DAIRY
(Controlled by Eastern Dairies)

Capitalization—	Authorized	Outstanding
Common*, n.p.v.	150,000 shs.	83,420 shs.
Preferred	$750,000	$700,000
Par $100.		

*All common stock is owned by Eastern Dairies, with the exception of directors' shares.

Funded Debt—
Consists of $700,000, 7 per cent debenture notes held as collateral for the parent company's funded debt.

Dividend Record—
Preferred—7 per cent per annum, payable Feb. and Aug. 10. Paid regularly to and including Feb. 10, 1933; since passed.

Head Office—Toronto.

Lake of The Woods Milling

Company, Limited

And Its Wholly Owned Subsidiary Companies

CONSOLIDATED BALANCE SHEET AS AT 31st AUGUST, 1935

ASSETS

Property Account:		
Land, Water Power, Buildings, Machinery and Equipment at Cost, less amount written off on Reduction of Capital during 1933, depreciation applied and the annual amount of depreciation written off Automobiles and Trucks	$7,197,826.93	
Less: Reserve for Depreciation	2,071,975.10	$5,125,851.83
Deferred Charges to Revenue		21,603.95
Investments in Controlled Companies—Allied Industries— (Held by the Trustee for the Bondholders)		679,270.00
Investments in and Loans to Other Companies		55,257.00
Goodwill, Trade Marks, etc.		250,000.00
Cash on Hand and in Banks (Net)	51,447.19	
Accounts Receivable: After providing for Bad and Doubtful Debts	574,163.98	
Inventories .... Valued as follows: Grain at Current Market Value. Flour and Feed at Approximate Manufactured Cost. Bags and Materials at Approximate Manufactured Cost and Approximate Cost Price respectively...	2,722,898.34	3,348,509.51
		$9,480,492.29

LIABILITIES

Capital Stock			
Authorized: 200,000 Shares of No Par Value. 15,000 Shares of 7% Cumulative Preferred Stock of $100.00 each.			
Issued:			
147,689 Shares of No Par Value		$2,953,780.00	
15,000 Shares of 7% Cumulative Preferred Stock of $100.00 each		1,500,000.00	$4,453,780.00
First Mortgage Bonds 6% Due 1st May, 1941: Issued and held by the Banks as collateral to Loans	$4,000,000		
Bank Loans Secured as Above and Under Section 88 of the Bank Act		2,859,000.00	
Accounts Payable		270,415.37	
Provision for Federal, Provincial and Municipal Taxes		96,742.09	3,226,157.46
Reserves			
Provision for Employees' Retiring Allowance		125,000.00	
Insurance Reserve		45,272.73	170,272.73
Earned Surplus			1,630,282.10
			$9,480,492.29

PROFIT AND LOSS AND SURPLUS ACCOUNT FOR THE YEAR ENDED 31st AUGUST, 1935

Balance—at 31st August, 1934			$1,307,957.56
Operating Profit for the year ended 31st August, 1935		$ 777,477.74	
Less: Interest	$196,383.51		
Depreciation	185,000.00		
Provision for Income Taxes	58,745.00		
Directors' Fees	3,890.00		
Executive Salaries	51,000.00		
Legal Fees	749.65	495,768.16	
		281,709.58	
Dividends from Investment in Controlled Companies..		11,916.00	
Income from Investments in and Loans to other Companies		8,698.96	
Credit adjustment arising from prior years		20,000.00	322,324.54
Balance—at 31st August, 1935, per Consolidated Balance Sheet			$1,630,282.10

Contingent Liabilities: Guarantee of $1,447,300.00 5½% Bonds of Inter City Baking Company Limited. On Customers' Paper under Discount—$169,180.99.

NOTE: Dividends upon the Cumulative Preferred Stock accrue from 1st September, 1931.

On behalf of the Board: ROBT. W. REFORD, WALTER MOLSON, Directors.

MONTREAL, 27th September, 1935.

We have examined and audited the Books and Accounts of the Lake of the Woods Milling Company, Limited and of its Wholly Owned Subsidiary Companies for the year ended 31st August, 1935. The Investments in Controlled Companies appear in the Balance Sheet at what, in our opinion, may be considered a fair valuation. The dividend paid by the Inter City Baking Company, Limited was less than the earnings of that Company during the period under review. The Investments in and Loans to other Companies are conservatively stated. The Inventories of Stocks on Hand have been determined and certified correct by responsible Officials of the Companies, and we have satisfied ourselves that the basis of valuation is as stated. Subject to the above remarks, we report that we have obtained all the information and explanations we have required, and that, in our opinion, the above Consolidated Balance Sheet as at 31st August, 1935 is properly drawn up so as to exhibit a true and correct view of the state of the Combined Companies' affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Companies.

(Sgd.) RIDDELL, STEAD, GRAHAM & HUTCHISON, Chartered Accountants, Auditors.

Sask. Farm Lands Debt Is Over $200 Millions

Original Amount Loaned on Security of Mortgages Still Appears on Records as Undischarged—Farm Loans Board Loaned Over $11 Millions, Now Has $18 Millions Outstanding

From Our Own Correspondent

REGINA.—Total mortgage debt registered against farm lands of Saskatchewan according to the debt survey committee is shown as approximately $207,551,980 of which 72,277,936 represents first mortgages and $35,274,040 second or subsequent mortgages. These figures represent the situation as at Dec. 31, 34.

This registered debt is not necessarily the amount of mortgage debt due or accruing, but is the original amount, actually loaned on the security of farm land mortgages which still appear on records of Land Titles offices, as undischarged mortgages.

Compared Amounts

The committee compared the amount originally loaned with the amount of principal, interest and other charges now owing to a number of mortgage corporations in business in Saskatchewan and found their experiences varied. Some have considerably more owing today than the original amount loaned. Others have considerably less. Their relative positions depend chiefly on two factors, whether loans in any considerable amount have been made since 1928 and whether loans have been made in that part of the province which has been afflicted with crop failures. Generally speaking loans paid prior to 29, even in the drought area have lesser amounts outstanding than the original loan and loans made in 1929 or after have a considerably larger amount outstanding above the original loan.

One company with $8,000,000 outstanding in mortgage loans chiefly in the drought area, on that part of money loaned prior to 1929 has owing 14 per cent less today than the original total. Adding loans made in 1929 and after, the present total outstanding is 14 per cent greater than the original amount.

The same company's experience with loans made in the areas comparatively free of drought, shows that of $5,298,000 originally loaned, the present outstanding amount for principal, interest and other charges is six per cent less than the original loans. Another company with loans throughout the entire province but which has made no loans since 1928 has four per cent less owing today than was originally loaned.

Farm Loans Board

The experience of the Saskatchewan Farm Loans board is perhaps the most disturbing of all mortgage loan organizations in the province. Original loans issued by the board total $11,609,466 and the amount outstanding is $18,000,000 or in the region of 50 per cent more.

Of eight established companies in Saskatchewan their own figures show only two with a reduction on original loans. The position of these companies is believed to be as follows, the figures having been obtained from a source other than the debt survey committee:

riginal loans	Amount owing	Percentage of original
328,000	$5,215,000	—17%
926,000	14,639,000	+5%
902,000	1,841,000	—4%
728,000	11,886,000	+21%
748,000	5,322,000	+11%
997,000	5,769,000	+15%
298,000	4,996,000	—6%
888,000	8,000,000	+14%

40 Municipalities

In an effort to analyze the distribution of the mortgage debt over Saskatchewan farms, the committee selected 40 municipalities. No municipalities in the southwest corner of the province were selected owing to there being many parcels of Crown lands contained in them. These lands are used for cattle grazing. No lands within the confines of towns or villages were included.

The debt commission actually searched 12,297½ sections of land and found 5,777½ had clear title, 924⅞ with clear title and sold, 09⅝ with a tax or other encumbrance other than mortgage and sold, 88½ mortgaged and sold, 1,985⅝ encumbered by other than mortgage, 4,534⅜ mortgaged, 767⅛ with title in the mortgage company and a total amount of $27,125,318 first mortgages registered against the lands. The number of tenant farmers was 2,622 and sections farmed but not owned by tenants 1,593.

These figures revealed 47 per cent of the lands examined with clear titles, 16 per cent title but sold leaving a net clear titled land of 1 per cent. Clear titles held by mortgage companies total 13 per cent.

Assuming that the 40 municipalities examined by the committee were representative of general conditions it will be seen, the board argues, that settled farm lands of the province are divided as follows:

Settled Farm Lands

Clear Titled Land:		
Unencumbered	47%	
Unencumbered but sold	16%	
Net unencumbered	31%	31%
Encumbered Land:		
Mortgaged	36.2%	
Clear title but sold	16.0%	
Other encumbrances	16.2%	
Total encumbered	69.0%	69%
		100%
Lands Sold:		
Clear title	16.0%	
Mortgaged	5.4%	
Other encumbrances	6.5%	
Total sold	27.9%	

Undischarged 1914-18

The committee examined mortgages outstanding from the wartime expansion period and found first and subsequent mortgages still undischarged for the years 1914-18 totalling $12,231,671 and for the year 919 $10,389,088, a combined total of 2,623,759. These figures are included in the $207,551,980 all mortgage total but have been outlined to show what percentage of present farm mortgage debt was incurred during those days. Discharged mortgages are not included in these figures.

A separate statement by Premier Gardiner shows the outstanding mortgage debt of those war years is now $14,000,000.

Shortly after the debt survey committee issued this report the provincial government gave out a statement on work that had been done to reduce farmers' debts within the province. The statement dealt with conferences between the government and mortgage companies and the local government board and municipalities for the reduction of accruing interest on mortgages, taxation arrears and relief owing the provincial government.

365 Farmers Benefitted

Two municipalities were covered in the statement and a third was just mentioned, it being of the type between the worst and the least hit in the southern drought area. In the two municipalities mentioned debt reduction was achieved for 365 farmers, in the one municipality averaging $1,116 per farm and in the other $452 per farm.

As a result of operations in R. M. No. 105 in the worst of the dried-out area 208 farmers have been relieved of $232,276 in debts amounting to $1,116 per farmer and the total sum is $8,425 more than the total interest arrears of those farmers, both before and during the drought period. Thirteen loan companies holding first mortgages against these 208 farmers wiped $99,612 from interest arrears totalling $223,851. The municipality wiped out $28,645 of the $98,140 taxation arrears and the province has written off $104,019 owing on relief notes.

The second example R. M. 39, typical of the best drought conditions, contained eight mortgage companies with 157 loans with $93,719 arrears of interest. The companies wiped off $39,134 and the municipality agreed to write off $13,550 of $54,120 tax arrears and the government $18,378 in relief notes, making a total reduction of $71,063 or an average of $452 per farm.

Saving of $303,339

Between these two municipalities there is a saving of $303,339.

Premier Gardiner also announced the $10 million federal loan in 1931, which was an outright gift to the province, had been wiped off the books and that notes held by farmers had been cancelled. Such cancellation had nothing to do with debt reduction now being made in various municipalities.

Co-operation of mortgage companies with the government in striving to reduce the debt burden wherever possible gives a clear idea of how the situation is being met by business as represented by the financial institutions. The whole insistence for debt adjustment shows that the farmer is conscious of the value of his farm to him as a home and that he is anxious to compromise his debts so as to ensure security of tenure. In spite of all theories and statements made showing that farm land has no value because there has been so little income, the farmer wants to stick to his farm and this establishes values on a firmer basis than ever, for the farmer is no theorist.

SOUTHERN CANADA AREA MORE ACTIVE

Power Company Survey Shows Industries Stepping Up Output

From Our Own Correspondent

MONTREAL—Industrial conditions throughout the whole of the district served by Southern Canada Power are showing a steady improvement, according to a statement issued by the company. The election, however, has had a tendency to hold back immediate industrial development.

Greater Activity Reported

The report to shareholders continues in part:

At Bedford, Jones Bros. are building an extension to their plant to provide greater facilities due to an increased demand for their products.

At Ways Mills, the Collie Woollen Mills are making preparations for building an addition to their plant.

At Sutton, the J. Elkin Co. is working full time. 125 people are presently employed by this firm, and substantial further expansion is expected.

At St-Pie, the D. & D. Black Shoe Co. has taken on 30 additional hands. Tannerie Limitée, fur dressers, have also engaged 45 additional workers recently. Conditions in this village are excellent and there is no unemployment.

At Acton Vale, a new industry, the Acton Engineering Co. has begun operations The Acton Rubber Co. has added a further extension to its plant. The Acton Silk Mills Ltd. has added 20 employees to its staff. The building trade has been very active since early spring.

At Richmond, La Diva Shoe Co., manufacturers of women's footwear, is working overtime. The New Knit Hosiery Mills, manufacturers of hosiery, are also working night and day. Business conditions have vastly improved in this town.

At Drummondville, the Canadian Celanese Co. has built an extension to its weaving and dyeing departments. This same company has also added 100 workers to its payroll. All other industries are working full time.

C.P.R.'s Guarantee On Soo is Limited

From Our Own Correspondent

MONTREAL. — Speculative purchase of the bonds of the Minneapolis, St. Paul and Sault Ste. Marie Railway has been fairly widespread in the past few years. The buying has been influenced by the guarantee of interest payments by the C.P.R. and the belief that the latter would continue the guarantee in the event the Soo Line was unable to take care of the bonds when they mature in a few years time.

Such hopes are not to be fulfilled. In the C.P.R.'s application for registration on the New York Stock Exchange it is said: "For the calendar year 1934 the interest charges in respect of securities of subsidiaries not operated by the registrant was $4,437,589. By 1939 this will be reduced to $1,672,569 and will be subject to further reduction from time to time thereafter."

This statement is taken to indicate that whether or not the Soo Line is in a position to redeem or refund its obligations, the C.P.R. guarantee does not extend beyond the maturity date.

CANADA'S DEFICIT FIRST SIX MONTHS MILLION DOLLARS

Expenditures Up $14.7 Millions to Revenue's $10 Millions

The deficit of the Dominion government for the first six months of the present fiscal year is $1 million. As a result the net budgetary position declines for the period. Revenue totalled $199 millions and expenditures $200.1 millions.

Revenue for the six months' period shows an increase of $10 millions over the same period last year. Expenditures increased $14.7 millions since March 31 over last year's half-year.

September's budget position in 1935 was worse than in 1934. Last month's revenue was $6.7 millions lower than expenditures and a year ago the revenue was $682,000 above the expenditures.

Unemployment relief accounted for the major increase in expenditures, $12.1 millions being spent on this during the first part of the fiscal present year than in the same period in 1934. Ordinary expenditures jumped $3.8 millions over last year.

The chief increase in revenue this year over last was caused by a larger collection of the income tax. This increase was $16.4 millions.

Customs duties dropped from last year. With the gold tax removed, revenue from this source is fast disappearing.

In September customs and excise duties both increased over September a year ago, and the income tax collection was up $388,000. The expenditures for September, 1935 are up $6.8 millions over 1934.

Dominion Revenue and Expenditure
Six Months to Sept. 30

Revenue:	1935 $ 000's	1934 $ 000's	Change $ 000's
Customs Duty	36,741	39,101	— 2,360
Excise Duty	23,127	21,905	+ 1,222
Excise Taxes	51,023	53,752	— 2,729
Income Tax	63,718	47,247	+16,471
Gold Tax	1,407	3,298	— 1,891
Post Office	14,274	13,882	+ 392
Miscellaneous	8,580	9,417	— 837
Special	221	211	+ 10
Total	199,091	188,813	+10,278
Expenditure:			
Ordinary	165,809	161,950	+ 3,859
Special	29,923	17,799	+12,124
Capital	4,442	5,646	— 1,204
Total	200,174	185,395	+14,779
Month of September			
Revenue:			
Customs	6,158	5,774	+ 384
Excise Duty	3,913	4,102	— 189
Excise Taxes	9,454	9,162	+ 292
Income Tax	2,543	2,155	+ 328
Gold Tax	15	620	— 605
Post Office	2,972	2,879	+ 93
Miscellaneous	943	1,885	— 942
Special	33	56	— 23
Total	26,031	26,633	— 602
Expenditure:			
Ordinary	26,040	22,155	+ 3,885
Special	6,012	3,337	+ 2,675
Capital	751	459	+ 292
Total	32,803	25,951	+ 6,852

Radio Production Lower But Sales Up From 1934

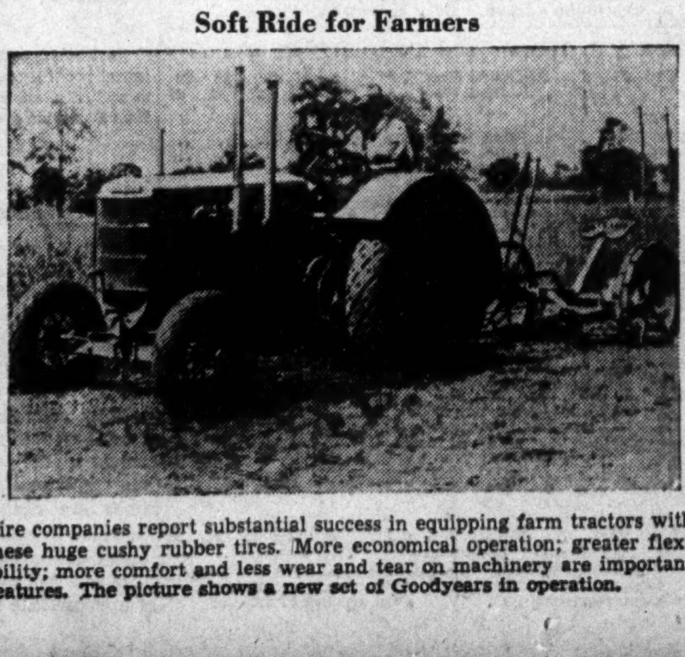
Production of radio receiving sets in Canada during the second quarter of 1935 numbered 24,711 units, compared with 23,573 units in the first quarter and with 25,453 in the corresponding quarter of 1934. Sales by producers totalled 23,811 sets valued at list prices at $1.8 millions. This represents an increase of more than 6,000 sets from 1934, a gain being recorded in every part of the country except British Columbia and a small loss in the Maritimes.

Inventories in the hands of manufacturers at the end of the quarter amounted to 37,768 sets, slightly higher than three months earlier.

Gypsum Production

Production of gypsum in July totalled 91,484 tons, compared with 75,525 in June and 65,567 in July last year. During the seven months of the year production totalled 263,081 tons, an increase of 17.4 per cent over the comparative period of last year.

Soft Ride for Farmers



Tire companies report substantial success in equipping farm tractors with these huge cushy rubber tires. More economical operation; greater flexibility; more comfort and less wear and tear on machinery are important features. The picture shows a new set of Goodyears in operation.

BANKERS DENY FORCED SALES OF INVENTORY

Claim Reasonable Demands for Credit Were Met

"Piffle," exploded a prominent banker when confronted with charges that banks were responsible for some of the conditions exposed at the Price Spreads Investigation. The charges were made in an editorial which appeared recently in a number of trade newspapers under the head "Banks Held Responsible."

The contention of the editorial is that the banks "stepped in on manufacturers at the beginning of the depression and forced them to liquidate stocks . . ." This was done through calling loans, thus forcing the companies concerned to sell inventories in order to cover. "The large retailers naturally drove a pretty hard bargain, and after having drawn blood on this occasion, some of them were not satisfied with anything less thereafter." This loading of goods on a buyers' market at sacrifice prices could not but be reflected in the working conditions of those engaged in the industry.

Banks Farsighted

Bankers claim that the trade newspaper charges, briefly summarized above, are absolutely unfounded. As far back as 1928 Canadian banks were wary of increasing lines of credit and may have exercised moral suasion to keep inventories at a low figure, it is stated. Then when the depression came along the only course for the banks to follow was to steadily pursue their policy of calling on business men to reduce their inventories.

Any business man who did not take the first crack in 1929 as a warning to clear his decks was very short sighted and must have had great difficulty in surviving the depression. When the banks told him to reduce his loans bankers argue that they were doing him the best possible turn. The decline in prices was not precipitous. Rather it was gradual in most lines and extended over a period of three or four years. Thus manufacturers who first reduced their inventories got the benefit of the better prices.

Manufacturers' Dilemma

A large number of manufacturers and merchants found themselves at the beginning of the depression much overstocked with high-priced merchandise, large purchase commitments, maturing obligations and falling sales. They were faced with having to maintain the inventory with heavy carrying charges and depreciation, or placing it on a buyer's market. In either case heavy inventory losses would be met as the goods could be replaced at a much lower figure because of reduced material and labor costs.

Bank officials state that there were very few cases in which banks actually stepped in and took over the merchandise. And then only when the situation was exceptional. Some of the executives state that they cannot recall a single instance of such action being taken.

Claim Banks Lenient

It isn't the policy of Canadian banks, it is claimed, to go to a manufacturer who has any prospects at all and tell him that he must repay his loan or go into bankruptcy. Such action is only taken where there is believed to be absolutely no chance of saving the firm. It is in the banks' own interest to help any concern which has reasonable hopes of surviving adverse conditions.

Bankers admit having made mistakes. They argue that they are only human. But they emphatically deny the allegation made in the editorial: "Some splendid companies with a wonderful record of successful business, enjoying high public esteem, have had the ground cut from under their feet by ruthless credit curtailment, and cases could be mentioned where the action taken exceeded all bounds of commonsense . . ." They would like to hear of specific instances. It is claimed that thousands of less worthy companies have been nursed through the depression by the banks.

AUSTRALIA LOOKS FOR OWN NEWSPRINT

Work With Tasmanian Woods Considered Favorable to Date

From Our Own Correspondent

MONTREAL. — Australia continues to look to Tasmania as a potentially large source of newsprint supplies. For many years experimental work has been carried on with Tasmanian woods and in a recent government release, the hope was held out that in the near future Tasmania will be in a position to manufacture newsprint.

The Government report reads:

Newsprint made from Tasmanian timber already has been used in the production of daily newspapers in Hobart and Adelaide, and the Government is most optimistic about the early establishment of an industry which has been in the offing for some years. The company has spent more than £50,000 in preliminary work, and the most recent development is the success of tests made in Tasmanian timber in a British Columbian mill. It was the paper manufactured in these tests which was used by the Hobart and Adelaide newspapers. The newsprint is of good quality, and is likely to be improved still further when the Tasmanian plant is established. A capital of £3,000,000 is involved, and the company will spend £240,000 a year on employment as well as use £100,000 worth of hydro-electric power each year. It will take 18 months for the completion of the first constructional stage, and about eight years before the Tasmanian industry reaches its production capacity of 160,000 tons a year.

Canadian Medicos Speak Before Medical Directors

Dr. Cecil Birchard, chief medical director of Sun Life of Canada will discuss the topic "Mitral Stenosis" before the 46th annual meeting of the Association of Life Insurance Medical Directors of America being held in New York, Oct. 17 and 18.

Dr. John M. Livingston, medical director of the Mutual Life of Canada will lead discussion on Dr. Birchard's paper.

Debt Act Denounced As Leading to Fraud

The Saskatchewan Debt Adjustment Act has had the effect of turning honest debtors into dishonest ones, is the charge of Judge A. E. Doak of the Prince Albert district court. "I cannot refrain from expressing my disapproval of the whole scheme of the debt adjustment legislation," said the judge, "if the business of the country and the rights of creditors are to be at the mercy of the findings of a board which apparently exercises its discretion upon a mere whim. The effect of this class of legislation upon the general credit of the country is certainly lamentable."

The outburst was made in connection with a suit in which the defendant was being sued for damages suffered in a fire set by him. It was brought out at the hearing that the plaintiff had been refused permission by the Debt Adjustment Board to sue on the defendant's promissory note.

Tariff Board Issues Dates Of Sittings

Public sittings of the Tariff Board have been scheduled as follows:

On Nov. 18, an application by the executive of the Co-operative Trading Associations of Saskatchewan for revisions of duties on crude petroleum and its derivatives.

On Dec. 3 an application by the British government that, in accordance with the terms of the United Kingdom-Canada agreement of 1932, there be a review of the customs duties on rovings, yarns and warps wholly of cotton, certain cotton fabrics and woven fabrics wholly or in part of artificial silk or similar synthetic fibres.

On Dec. 3, an application by the Silk Association for revision of duties on artificial silk thrown yarn, and an application by R. P. Sparks; Ottawa, for duty revision on artificial silk yarns of a class known as cellulose acetate yarns and viscose yarns.

On Jan. 7, 1936, an enquiry into the operation in Canada of the automotive industry, particularly as regards the bearing of duties or taxes, the relationship of production of parts to the larger industry, principles and operations of drawbacks for domestic consumption matters as to content and cost of distribution and the prices at which motor vehicles shall be sold at retail in Canada.

At the Mines

Afton Mines — Two hundred pounds of ore, taken from the Afton Mines, Suicide River, returned .82 oz. in gold per ton. Assay results from a further shipment of 43 tons should be available within a few days. The samples sent to the Nickel Co. were taken from an average depth of 9 inches.

• • •

Bear Exploration and Radium — announces that it has changed its transfer agent from The Royal Trust Co. to Chartered Trust & Executor Co.

• • •

Canadian Pandora — Shareholders are advised that a general meeting will be held in new Liskeard on Oct. 25 next at 2.30 p.m. to elect directors for the ensuing year. Wm. Taylor, president, states that there should be no difficulty in arranging for the complete development of the property.

• • •

Cariboo Gold Quartz — August production resulted in a total recovery of $38,710, comprising 109 ounces of silver and 1,101 ounces of gold, The Post is informed. Tons milled during the month amounted to 3,299. This tonnage is the highest in the company's history.

• • •

Flin Flon Gold Mining Syndicate —R. N. Easton, president, states that the annual meeting of shareholders of the above company will be held in Winnipeg on October 19.

• • •

Golden Arrow Mining Co. — A notice appeared in the Oct. 5 issue of the Ontario Gazette changing the head office of the company from the Township of Trafalgar to Timmins, Ont.

• • •

Highwood Sarcee Oils—report to the Toronto Stock Exchange uncertainty as to the date on which dividend cheques on the three cent dividend to shareholders of record Oct. 28 will be mailed. It is expected the cheques will be mailed early in November. The company blames "lack of financial assurance regarding payment of Province of Alberta Savings certificate held by the company."

• • •

J. M. Consolidated Gold Mines—The Toronto Stock Exchange has been advised that the underwriting agreement dated Feb. 19, 1935, has been completed, the entire 100,000 at 10 cents and 250,000 at 12 cents having been taken up.

• • •

Macassa Mines—Reports that the option given by shareholders to Robert Bryce, president, at the annual meeting last June, has been fully exercised. The option granted Mr. Bryce 50,000 shares at one dollar per share.

• • •

MacJoe Sturgeon Gold—Development work has been suspended pending a report by the consulting engineer who will survey results to date and correlate the information obtained. Decision will then be made as to whether the company will carry on with winter work or not.

• • •

Opemiska Copper—A new drilling programme has been started by the Opemiska Copper Mines. It is believed likely the new winter road will be ready for the transportation to the property of mining machinery some weeks before the year-end.

OIL SHARES UNAFFECTED LIBERAL WIN

Tariff Board Will Probe Gasoline Prices Nov. 18

FINAL BRIEFS SOON

Large Companies Recently Dropped Retail Prices By 1½ Cents a Gallon in Ontario Last Week

Although price of gasoline and the protection it receives figured largely in the addresses of Hon. Mitchell F. Hepburn, Premier of Ontario, and other opposition speakers during the election, the Liberal victory did not affect the shares of Imperial Oil, British American Oil, McColl-Frontenac and other oil companies. This may be because it has been realized for some time that the dumping duties as applied to gasoline have been ineffective to prevent the unloading of surplus stocks here.

It is said to be easy to invoice U. S. gasoline to Canada at prices which prevent the application of the dumping duties. Then the gasoline can be sold at a loss in Canada to the importer, it is said, and still give the United States firm what it wants if it makes good the loss in some way.

Gasoline Prices In Question

There can be no doubt but that in many parts, possibly in most parts of the United States, gasoline sells for less than in Canada. The defence of the oil companies in Canada is that the industry is demoralized in the United States, that prices are therefore uneconomic, that the price levels in Canada for oil products are reasonable in view of the differences between the United States and Canadian situations.

The differences between United States and Canadian prices usually are attributed to higher freight rates for carrying petroleum to Canada, greater cost of distributing over an area greater than the United States to one twelfth of the population and the liberal wage and hours policies followed by the large companies. At the same time, as pointed out by Frank Prendergast of Imperial Oil in an address to the Toronto Board of Trade club, comparisons of prices of gasoline are not considered fair if they do not take into consideration the fact that in the United States prices in many districts have no relation at all to costs. For instance, he said, "The recent sale of gasoline in California at five cents a gallon presents one of the mysteries of the modern petroleum business because the five cent price includes a six-cent tax."

The larger oil companies reduced prices on all lines of gasoline 1½ cents a gallon throughout Ontario east of Fort William. This would affect about 230 millions of gallons if the reduction remained constant for a year. The step was taken to combat "under-canopy price-cutting," it was announced, and not because there was any change in costs. Third grade gasoline therefore has been selling for more than a week at 16 cents plus the 6 cents tax and other grades at 17½ and 19½ cents plus the tax.

"Under-canopy price-cutting" is the name given by the trade to the practice of certain independent gasoline stations of posting prices in line with generally prevailing rates while making private arrangements with motorists for the purchase of gas at lower prices.

The whole question will come before the tariff board at Ottawa on November 18. The election of the Liberal Government is not expected to make any difference in the holding of that enquiry.

Evidence was taken in various parts of Western Canada on the application of the Co-operative Trading Association of Saskatchewan, Regina. It was discontinued during the federal election campaign but final briefs from both sides will be in the hands of the tariff board by October 29.

Newsprint Production Continues Upward Climb

September Returns Reflect Large-scale Demand — Increase is More Than Seasonal

From Our Own Correspondent

MONTREAL. — Production of newsprint in Canada continues to climb. According to returns compiled by the News Print Service Bureau, output last month was 223,892 tons and shipments 225,403 tons. For the same month last year Canadian mills turned out 196,172 tons and shipped 195,320 tons of paper. The output last month was within 4,000 tons of the largest output ever turned out for any September in the history of the industry.

American mills did not do so well in September, production amounting to 71,416 tons, as against 74,117 tons a year ago. Shipments, on the other hand, show a better trend, having amounted to 73,161 tons, compared with 70,941 tons in September, 1934.

During September last 27,161 tons of newsprint were made in Newfoundland, an increase of about 1,300 tons over last year, while the Mexican mills turned out 1,540 tons, a decrease of 210 tons from the September, 1934, figure.

Total North American production last month amounted to 324,009 tons. This is in contrast to 297,869 tons manufactured in September, 1934.

Canadian mills produced 95,254 tons more in the first nine months of 1935, than was the case in the corresponding period of 1934, representing an increase of 5 per cent.

Cumulative output in the United States was 43,651 tons, or 6 per cent less than for the first nine months of 1934; in Newfoundland, 12,885 tons or 5 per cent more; and in Mexico 627 tons more.

The total increase in production this year to date for North America was 66,115 tons or 2 3/10ths per cent over the returns for last year.

Stocks of newsprint paper in Canadian mills were reported at 73,818 tons at the end of September and of United States mills, 16,490 tons, making a combined total of 90,308 tons. This compares with 85,605 tons reported on the same date last year, of which 61,903 tons were at Canadian mills, and 23,702 tons at American mills.

Town Must Add 2 Mills as Loss Revealed in Fund

From Our Own Correspondent

REGINA. — Indian Head's town council has decided to manage the sinking fund of the town as the result of the discovery of an $11,446 loss between 1928 and 1931 when the fund was in the hands of trustees. The loss came to light recently.

Most other Saskatchewan towns have placed their sinking funds in the hands of the provincial Local Government Board for operation. The Indian Head council asked the Board for advice on the predicament that faced the town. The Board refused advise but said it would offer recommendations for the future.

All three Indian Head trustees are dead. As a result of the financial loss the town will add two mills a year for ten years on tax assessments. The Board stated the sinking fund loss must be made up.

World Zinc Output

World output of zinc in July declined to 118,385 tons from the June total of 118,664 tons. The falling-off in production per day was more noticeable; the July daily average was 3,819 tons, while the June average was 3,955 tons. Zinc stocks in the United States rose 2,814 tons during the month to 115,723 tons.

MONTREAL POWER NET FOR THIS YEAR MAY RECORD DROP

Higher Taxes Expected to Cut Into Surplus for Dividends

From Our Own Correspondent

MONTREAL.—A moderate gain in gross revenues this year is anticipated by Montreal Light, Heat and Power Consolidated, but the amount available for dividends may be somewhat less than in 1934 owing to the increase in taxation.

This forecast is based by the company on the assumption of a continuation of the favorable trend in production shown in July, August and September, the aggregate gain during this quarter being sufficient to wipe out earlier losses and leave the cumulative power output 1.55 per cent ahead of the first nine months of last year.

Savings in Interest

During the current year Montreal Power has, in addition to keeping close check on all controllable expenditures, eliminated part of its funded indebtedness through direct redemption with treasury funds, and in the case of one subsidiary, an old issue has been replaced by one with a lower interest coupon. These savings on interest charges on funded debt, while substantial in the aggregate, will not be felt fully until the conversion programme is completed, because certain charges incidental to redemption have had to be absorbed.

Lead Production in July

Lead production in Canada during July amounted to 29,104,210 pounds as against 31,298,691 in July, 1934. Average price on the London market was 3.2 cents per pound, giving the month's output a value of $932,685. Output during the seven months ended July declined 0.5 per cent from the same period last year.

Syrup Symphonies
on the Air—and on
Your Cash Register

EACH week our Syrup Symphonies broadcast is telling the story of "CROWN BRAND" Corn Syrup—its qualities and its uses—to Canadian householders. And every day the public acceptance of this delicious product is ringing the music of sales on retailers' cash registers.

Similarly with our other time-tested products—"MAZOLA" and "BENSON'S" Corn Starch—you buy what you can sell.

Seventy-six years of fair dealing with the trade and education of the consuming public are back of these profit-makers for you.

THE
CANADA STARCH CO.
LIMITED
Montreal Toronto

STANFIELD'S UNDERWEAR

In 1856, the original plant of the Truro Knitting Mills Co. was established at Truro, N.S. In 1906, the Company name was changed to Stanfield's Limited by the late Lieutenant-Governor Frank Stanfield, father of the present President, Frank T. Stanfield.

Advertising has been an important help in the building of this national business in woollen underwear and "Novasilk" rayon underwear.

Advertising of this company appears in —

Maclean's
Canada's National Magazine

◆

INTER. PAPER CO. NEWFOUNDLAND REFUNDS DEBT

New Issues at Lower Rates Will Save Company $125,000 a Year

From Our Own Correspondent

MONTREAL.—International Power and Paper Co. of Newfoundland, a subsidiary of Canadian International Paper Co., has completed arrangements for a refunding programme which will effect a considerable reduction in the company's interest charges.

At the end of last week an offering was made in London at 97 of £1,877,600 of 3 per cent series A mortgage debenture stock maturing in 1973. The prospectus was issued through the Bank of England. As in the case of the old issue, this new debenture stock will be guaranteed by the British Treasury.

Call Present Issue

The entire present outstanding issue of 4½ per cent series A mortgage debenture stock, due 1948, is being called for redemption on January 15, 1936.

In addition the British treasury will exchange its holdings of £149,700 4½ per cent extended series A mortgage debenture stock, due 1973, for £154,300 of 3 per cent second series A mortgage debenture stock, due 1973, with a cash adjustment to cover the redemption premium on the old issue.

Save $125,000 a Year

This refunding will result in a savings to the company in interest charges amounting initially to about $125,000 a year.

The new 3 per cent series A mortgage debenture stock will be secured by a mortgage on the major portion of the company's property, subject to the first mortgage 5 per cent bonds due 1968, of which $4,866,000 are now outstanding, held for the most part in the United States and Canada.

In addition to the funded debt, International Power and Paper of Newfoundland had outstanding $1,750,000 of bank loans at the end of last year.

Taylor Dutton Products Offers 2,000 Pref. Shares

Taylor Dutton Products Ltd. is currently offering 2,000 six per cent cumulative participating non-callable preference shares at $20 each. There is no earnings record.

Purpose of the offering is to provide funds for the manufacture and sale of cream-making machines in Canada. The company owns land and buildings at Harriston, Ont. where, it is expected, production will commence in the near future.

U.S. rights on the cream-making machines have been transferred under a sub-license to International Emulsifiers Inc. of Chicago in return for a cash royalty on each machine sold and a share in the net profits. Taylor Dutton Products owns 25 per cent of the stock of International Emulsifiers.

Families feel wholly at home AT

CHALFONTE HADDON HALL

AT THESE Boardwalk hotels we take a special delight in offering you friendly, informal hospitality. Tempting food. Large, cheerful rooms. Considerate service. Health baths, concerts, dances, and other attractions too numerous to mention.

$7 up at Chalfonte, $8 up at Haddon Hall, single, American Plan. $5 up at Haddon Hall, single, European Plan. Special weekly rates.

Leeds and Lippincott Company

ATLANTIC CITY

Bankers Evince Keener Interest In Study Course

Indicative of the keener interest being taken by bankers in general financial and in world affairs, the Toronto Bankers' Educational Association reports enrolment in its courses for the current season at 284. This represents an increase of 61 over last season's figure and brings the total enrolment in the 17-year history of the Association to 2,960.

Courses are offered in economics, law, public affairs and public speaking, under the auspices of the University of Toronto. Lectures and tutorial classes extend over a period of 20 weeks and are conducted by well-known authorities on the various subjects

The Association is under the leadership of. H. T. Jaffray, assistant general manager, Imperial Bank of Canada, president; E. Crockett, assistant general manager, the Bank of Nova Scotia, vice-president; Prof. C. N. Cochrane, University of Toronto, tutorial secretary, and P. W. Pain, Imperial Bank of Canada, secretary-treasurer.

NORTHERN QUEBEC POWER SALES GROW

Canada Northern Views Area as Most Promising District

From Our Own Correspondent

MONTREAL. — While demands for power in the Northern Ontario mining camps continue to expand, it is in the Northern Quebec field that the most notable developments have taken place, according to report sent to the shareholders by Canada Northern Power Corp.

The report points out that in the Boischatel area, lying between the Ontario-Quebec boundary and Noranda, Arntfield Gold Mines have become producers, the new mill having been placed in operation in August.

"Another new mining customer in Rouyn Township, Stadacona Rouyn Mines has been connected with our lines, which entailed the construction of but a short line, as our existing transmission line passed close to their workings.

"A contract for the supply of power to the property of Perron Gold Mines has been signed and work is being commenced on the construction of a transmission line to provide service. On completion of this work the company's system will have been extended to Pascalis Township, seventy-three miles east of Noranda.

"In the Siscoe area, work is being proceeded with in connecting the workings of Siscoe Extension Gold Mines with the company's line, which crosses that property, a contract having been signed in September.

"A 10-year franchise for the distribution of light and power in the Township of Whitney in the Porcupine area was submitted to the electors on September 24th and carried by a substantial majority."

Maritime Telephone Toll Traffic Higher

From Our Own Correspondent

MONTREAL.—Total volume of toll traffic handled by the Maritime Telegraph and Telephone Co. for August showed a little better percentage improvement over the corresponding month last year than in the month of July; i.e., July had an improvement of 4.1 per cent and August of 4.5 per cent over the corresponding month of 1934.

Dividends Declared

	This payment	Date payable	Date of record
Bank of Tor. c.	$2.50	Dec. 2	Nov. 15
Beatty Bros. pf.	$1.50	Nov. 1	Oct. 15
B.C. Telephone, pf.	$1.50	Nov. 1	Oct. 17
Calgary Pwr. pfd.	$1.50	Nov. 1	Oct. 15
Candn. Bronze c.	15c	Nov. 1	Oct. 21
Do., pfd.	$1.75	Nov. 1	Oct. 21
Candn. Dredge c.	$1.00	Nov. 1	Oct. 22
Do., pfd.	$1.75	Nov. 1	Oct. 22
Can. Indust. A & B	$1	Oct. 31	Sept. 30
Can. Iron Found. pf.	$1.50	Nov. 15	Oct. 31
Candn. Oil Cos. c.	12½c	Nov. 15	Nov. 1
Can. N. Pwr. c.	30c	Oct. 25	Oct. 15
Frost Steel & W. pf.	$1.75	Nov. 1	Oct. 19
Hollinger Gold c.	.05	Nov. 4	Oct. 18
Humberstone Shoe c.	.50	Nov. 1	Oct. 15
Imperial Bank c.	$2.50	Nov. 1	Sept. 30
Int. Nickel, pf. U.S.	$1.75	Nov. 1	Oct. 2
Do., U.S.	8½c	Nov. 1	Oct. 2
Inter. Pwr. pfd.	$1.00	Nov. 1	Oct. 15
Kirkland L. G. M. c.	‡3c	Nov. 1	Oct. 15
Macassa Mines c.	5c	Nov. 1	Oct. 15
McIntyre-Porc. c.	50c	Dec. 2	Nov. 1
McLennan, McFeeley c. A	10c	Dec. 30	Dec. 23
Do., c. B	10c	Dec. 30	Dec. 23
Mtl. L., H. & P. c.	37c	Oct. 31	Sept. 30
Penmans Ltd. c.	75c	Nov. 15	Nov. 5
Do. pfd.	$1.50	Nov. 1	Oct. 21
Royal Bank c.	$2.00	Dec. 2	Oct. 31
Royal Trust c.	80c	Oct. 31	Oct. 31
Rolland Paper pf.	$1.50	Dec. 2	Nov. 15
Russell Motor pfd.	$1.75	Nov. 1	Oct. 16
Do., on arrears	$1	Nov. 1	Oct. 16
Simpsons (R.) Ltd. p.	$3	Nov. 1	Oct. 16
Simpsons Ltd. pfd.	$1	Nov. 1	Oct. 19
Southern C. Pwr. c.	20c	Nov. 15	Oct. 31
St. Lawr. Flour c.	50c	Nov. 1	Oct. 19
Do., pfd.	$1.70	Nov. 1	Oct. 19
Steel Co. of Can. c.	43¾c	Nov. 1	Oct. 7
Do., pfd.	43¾c	Nov. 1	Oct. 15
Toburn Gold c.	.02c	Nov. 21	Oct. 21

‡Interim.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING OCTOBER 14

Range 1935 High	Low	Divd. Rate in $	Y'ld in % Oct. 12		Sales	Close Oct. 7 (last)	Week Ending (or Oct. 14) High	Low	Close
				A					
2.00	.55	.	...	Abitibi	1315	.70	.90	.75	.75
9½	3	.	...	Do. pref. 6%	220	4	4	4	4
6½	3	.	...	Do. cert. dep.	935	3½	4½	4	4½
5	5	.	...	Acadia Sugar	....	5	..	..	..
7	3	.	...	Acme Glove	50	5	5½	5	5
45	32	3.25	7.7	Do. pref.	10	40	42	42	42
9½	7½	40+20c	6.8	Agnew Surp.	....	8½	..	..	..
103½	96	7	7	Do. pref.	10	100	100	100	100
3½	1	.	...	Alta. Pac. Gr.	105	2½	2½	2	2½
29	15	.	...	Do. pref.	60	16	18	17	18
25	25	.	...	Aluminium	....	25	..	..	..
2	1½	.	...	Amal. Electric	....	2	..	..	..
18	15	.	...	Do. pref.	....	15	..	..	..
24½	16	.	...	Amer. Cyn. B.	....	24½	..	..	..
30¾	25	.	...	Amer. Celanese	....	25	..	..	..
17½	6	.	...	Asbestos v. t.	420	13½	14¾	13½	14
13¾	8½	1	...	Assoc. Brew.	....	10	..	..	..
110	104	7	6.3	Do. pref.	....	110	..	..	..
‡4½	2½	.	...	Assoc. Can.	....	3½	..	..	..
105	104½	7	6.6	Atlan. Sugar, p.	10	104½	105	105	105
				B					
66½	51½	2.52	4.6	Bank of Canada	180	52	54½	52½	54
136	126	8	6.1	Bk. Can. Nat.	23	129	129½	128½	129½
204	140	8	4.7	Bk. Montreal	542	156	174	157	174
305	245	12	4.7	Bk. N. Scotia	170	246	255	245	255
235	190	10	5	Bk. Toronto	21	185	200	190	200
11	10	50c	...	Barcelona	....	10½	..	..	..
10	4½	.	...	Bathurst Pr.	1725	10	8½	8	8½
2.75	1.00	.	...	Do. (B)	425	2.00	3.00	2.00	3.00
3.00	.50	.	...	Bawlf Grain	....	.70	..	..	..
40	18	.	...	Do. pref.	10	18	18	18	18
3	3	.	...	Beath & Sons.	....	3	..	..	..
15	8½	.	...	Beatty Bros. A.	120	8½	8½	8½	8½
95	85	6	7	Do. pref.	....	90	..	..	..
7½	2½	.	...	Beauharnois	804	3½	3¾	3½	3¾
98¾	85	4	4.3	Belding Cort.	5	95	92	92	92
120½	116	7	5.8	Do. pref.	....	120½	..	..	..
135¾	118	6	4.5	Bell Telephone	450	129½	131½	129¾	131
20½	13	1.50	...	Biltmore Hats	157	20½	24¾	22	24¾
110	97½	7	6.6	Do. pref.	....	105½	..	..	..
4	3½	.	...	Bissell, T. E.	....	4	..	..	..
35	25	.	...	Do. pref.	....	35	..	..	..
3½	2	.	...	Blue Ribbon	....	2	..	..	..
29	19	2	9.5	Do. pref.	55	21	22½	21	21
30	27½	2	6.6	Brant. Cord. pf.	1	29½	30	30	30
10¾	7½	.	...	Brazilian Tr.	3422	7¾	8	7½	8
1.10	.50	.	...	Brew. & Distil.	17720	.95	1.05	.95	1.00
4½	1½	.	...	Brewing Corp.	6330	1½	2	1¾	2
22¾	9½	1.50	13.3	Do. pref.	2370	9½	12	8	11
14	11	30c	2.7	Bright, T. G.	....	11	..	..	..
77½	72	6	8	Do. pref.	....	72	..	..	..
16¾	13¾	80c	5.3	Brit. Amer. Oil	4801	15	15½	15¾	14
1.75	50	.	...	B. C. Packers	5430	.55	.60	.55	.55
18	13	.	...	Do. pref.	25	14	14	13	13
30½	21	1.50	6	B. C. Power A.	1138	24½	25½	23¾	25
5	2	.	...	Do. (B)	915	3½	3½	3	3½
18½	14¾	1.20	7.3	Bruck S. Mills.	650	17	17½	17	17½
34½	25½	1	3.6	Building Prod.	1304	27	27½	26½	26½
35½	29¾	2	5.7	Burt, F. N.	190	34	34½	34	34½
				C					
84¾	80	6	7.5	Calgary Pr.	....	80	..	..	..
5½	2	.	...	Canada Bread	845	3¾	3½	3½	3½
92	63	.	...	Do. pref. (A)	104	90	92	91	91
30	17	.	...	Do. pref. (B)	40	25	29	28	29
9	5½	.	...	Canada Bud	306	6	6½	5¾	6
8½	5	.	...	Canada Cement	1865	5½	6½	5	6½
64½	49¾	.	...	Do. pref.	1085	50½	53	49¾	53
60½	55	1.50	2.7	Can. & D Sugar	....	55	..	..	..
b16¾	8½	40c	4.1	Canada Dry	3700	10½	10¾	9¾	9¾
7	2	.	...	Can. Forg. (A)	35	2	4½	4½	4½
1½	1½	.	...	Do. (B)	....	1½	..	..	..
38	18	.	...	Canada Iron	3	30	30	30	30
55	50	3	5.8	Do. pref.	18	51	51	51	51
450	450	20	4.4	Canada Life	....	450	..	..	..
35	29	1.50	4.5	Can. Malting	1700	32½	33½	32	33½
22½	17½	1.20	5.7	Can. Nor. Pr.	43	20	21	19¾	21
107	98½	7	6.6	Do. pref.	55	103	105	104	105
74	50	75c	...	Can. Packing	642	70	74	71	74
115	110	7	6.3	Do. pref.	360	110½	110½	110¾	110¾
75	60	.	...	Can. Paper. pf.	....	65	..	..	..
.05	.05	.	...	Can. Paving	....	.05	..	..	..
3¾	2	.	...	Do. pref.	....	3	..	..	..
150	119	8	6.3	Can. Perman.	240	119½	126	120	126
2¾	1	.	...	Can. Steamsh's.	10	1½	6¾	6¾	6¾
11¾	6	.	...	Do. pref.	213	7½	7	6½	6¾
29	23	1.60	6.4	Can. Vinegars	310	25	25	23	24¾
20	18	.	...	Can. W. Cable	....	18	..	..	..
8	4½	.	...	Do. (B)	....	6	..	..	..
1	1	.	...	Can. Bakeries	....	1	..	..	..
20	13	.	...	Do. pref.	25	19	18	18	18
169½	122	8	5.7	Can. Bk. Com.	366	125	142½	128	141½
31½	21	60c	2	Can. Bronze	10	29	29	29	29
115	110	7	6.1	Do. pref.	....	114	..	..	..
6¾	3½	.	...	Can. Canners	180	4	4¾	4	4¾
94	75	6	7.5	Do. 1st pfd.	60	77	79	78	79
9¾	4½	30c	4.8	Do. 2nd pfd.	575	6	6½	6	6½
8½	4¾	.	...	Can. Car & Fd'y	860	5	5½	5	5½
17	10½	.	...	Do. pref.	383	10½	11½	10½	11½
24½	18½	.	...	Can. Celanese	425	20½	20½	19½	20½
120	100	7	5.9	Do. pref.	111	117	118	117	117
20½	18	.	...	Do. Rights	295	19½	19¾	19½	19½
32	29	2	6.9	Can. Convert.	....	29	..	..	..
66	36	4	10.2	Can. Cottons	....	39	..	..	..
105	93½	6	6.3	Do. pref.	1	95	95	95	95
35	19½	1	...	Can. Dredge	10920	31¾	35	32½	34
107½	106	7	6.5	Do. pref.	50	107½	107½	107½	107½
90	85	6	7	Can. Fairb. pf.	50	85	90	90	90
30	18	1.60	8	Can. For. Inv.	145	20	20	20	20
107½	103	8	7.4	Do. pref.	....	107	..	..	..
159	145	3	2	Can. Gen. Elec.	20	150	150	150	150
64½	54½	3.50	7.3	Do. pref.	1461	57¾	57¾	57¾	57½
6½	6½	40c	...	Can. G. Inv.	....	6½	..	..	..
82½	37	6	13.3	Can. Hyd. El. pf	649	44½	45	43½	45
10¾	6¾	.	...	Can. Ind. Alc.	1860	7½	7¾	7¾	7¾
9¾	6	.	...	Do. (B)	165	6½	6¾	6½	6½
198½	178½	4	2.1	Can. Indust. B.	....	193	..	..	..
160	148	7	4.4	Do. pref.	....	158½	..	..	..
2	2	.	...	Can. Int. I. Tr.	....	2	..	..	..
25	20	.	...	Do. pref.	....	25	..	..	..
30	21	1	4.7	Can. Lt. & Pr.	....	21	..	..	..
4	2	.	...	Can. Locomo.	4	2¾	2¾	2¾	2¾
b2¾	1	.	...	Can. Marconi	2000	1¾	1¾	1½	1¾
15	11	50c	4.2	Canadian Oil	115	11¾	11¾	11¾	11¾
127	113	8	6.7	Do. pref.	100	122	123	118½	123
13¾	8¾	.	...	Can. Pacific	1999	9½	9½	9½	9¾
.15	.10	.	...	C. Pr. & Pa Inv	....	.10	..	..	..
4½	3½	.	...	Do. pref.	....	3½	..	..	..
1.50	1.00	.	...	Can. Vickers	....	1.35	..	..	..
16	6½	.	...	Do. pref.	....	10	..	..	..
7	3	20c	5.3	Can. Wineries	265	3	3¾	3½	3¾
18	15	25c▲	...	Can. Wire Box.	25	18	18	18	18
17	5	.	...	Catelli Mac (A)	....	11½	..	..	..
2¾	1½	.	...	Do. (B)	....	2½	..	..	..
‡245	245	8	...	Cent. Can. L'n.	....	..	..	..	..
7¾	6¾	60c	8.5	Champ. Oil, pf.	1825	7	7¾	6¾	7¾
2.35	.55	.	...	Chem. Research	1100	.73	.75	.55	.65
2½	1½	.	...	City Gas & Elec	5	1½	1½	1½	1½
.45	.20	.	...	Claude Neon	265	.45	.35	.35	.35
16.00	12.50	.	...	Coast Brew.	1064	14.50	16.00	15.00	16.25
9¾	6	.	...	Cockshutt Plow	225	7	7¾	6¾	7½
.90	.45	.	...	Comm. Alcohol	....	.75	..	..	..
1.00	.80	.	...	Conduits	....	.80	..	..	..
61	48	.	...	Do. pref.	....	50	..	..	..
17	11½	20c	...	Cons. Bakeries.	512	15	15	14¾	14¾
2.12	.70	.	...	Cons. Paper	2576	1.00	1.20	1.05	1.10
7	5	.	...	Cons. Press	....	7	..	..	..
26½	25	.	...	Cons. Sand, pf.	....	25	..	..	..
184¾	125½	1.25	...	Cons. Smelters.	2919	173	178½	173	178
193	184	10	5.4	Consumers' Gas	191	184	186	184	186
90	30	1.75▲	...	Corr. P. Box p.	....	85½	..	..	..
7	5	.	...	Cosgrave Brew.	....	7	..	..	..
19½	14¾	17½c	...	Cosmos Imp.	200	17	18	17	18
108	102½	7	6.6	Do. pref.	2	105¾	105½	105½	105½
2½	1½	.	...	Crown Dom. Oil	150	2	2	2	2
28¾	25	4	...	Crow's N. Coal.	....	27	..	..	..
				D					
2	1	.	...	David & Fre. B	....	1¾	..	..	..
4	2	.	...	Do. (A)	....	2½	..	..	..
2¾	1½	.	...	De Havilland	....	2	..	..	..
‡30	20	.	...	Do. pref.	....	30	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
6½	6½	.	...	Do. pref.	....	6½	..	..	..
28¾	13½	.	...	Distill-Seagram	7030	26½	27½	25½	27
201½	141	10	6.5	Dom. Bank	83	142	155	143	155
34	24½	1.20	4.1	Dom. Bridge	1904	28½	29½	28	29½
18¾	14¾	75c	...	Dom. Coal, P.N.	1780	15¾	16	14¾	15¾
23	17	.	...	Dom. Engineer.	30	21½	21	20½	20½
120	90	5	5.5	Dom. Glass	155	92	91	90	90
145	129¾	7	4.6	Do. pref.	5	129¾	129¾	129¾	129¾
.10	.10	.	...	Dom. Motors	....	.10	..	..	..
36	32	.	...	Dom. Oilcloth	....	36	..	..	..
1	1	.	...	Dom. Pr. Stubs.	....	1	..	..	..
85½	80	7	8.1	Dom. Rubber, p	....	85½	..	..	..
6	3½	.	...	Dom. St. & C.B.	1830	4½	4¾	3½	4½
12½	6¾	.	...	Dom. Stores	240	7½	7½	7½	7½
7¾	3½	.	...	Dom. Tar & Ch.	625	3½	3¾	3¾	3¾
72	42	.	...	Do. pref.	75	52	52¾	52	52
82½	60	5	7.4	Dom. Textile	455	61½	67	61½	66
146½	130	7	5	Do. pref.	1	138	138	138	138
4½	1½	.	...	Donnacona P. A	....	1½	..	..	..
1.75	1.00	.	...	Do. (B)	....	1.75	..	..	..
5¾	3	.	...	Dryden Paper	340	3¾	4¾	4	4¾
4½	2	.	...	Duff. Paving	....	2	..	..	..
40	20	.	...	Do. pref.	....	30	..	..	..
				E					
2½	1	.	...	East. Koot. Pr.	....	1	..	..	..
14	14	.	...	Do. pref.	....	14	..	..	..
2¾	1½	.	...	East. Dairies	10	1¾	1½	1½	1½
12	5	.	...	East. Steel	20	7	12	12	12
90½	80	7	8.3	Do. pref.	....	84	..	..	..
8	7½	.	...	East. Theatres	....	7½	..	..	..
85	58½	7	8.2	Do. pref.	25	75	85	80	85
3½	1	.	...	Easy Washing	1	1½	1½	1½	1½
20	13½	43¾c	...	Economic Inv.	....	15	..	..	..
†15	15	.	...	Edmonton D'y	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
1	1	.	...	Enamel & Heat.	....	1	..	..	..
12½	7	.	...	Eng. Electric	....	9½	..	..	..
6¾	3	.	...	Do. (B)	....	4	..	..	..
9	6¾	30c	...	European El. A	....	7	..	..	..
				F					
16½	10	50c	...	Fam. Players	....	16	..	..	..
17	14	.	...	Do. Vot. Tr.	....	14	..	..	..
9¾	7½	50c	5.1	Fanny Farmer	1655	9¾	9¾	9½	9½
22½	23½	50c	...	Ford Motors A.	4303	25½	25½	24½	25½
1.25	50	.	...	For. Pr. Secs.	50	.60	.60	.60	.60
13¾	9¾	.	...	Foundation Co.	165	11½	11½	9¾	11½
5	2½	.	...	Fraser Cos.	46	3¾	3½	3½	3½
5	1¾	.	...	Do. Vot. Tr.	....	3½	..	..	..
61	54	6	10.9	Freiman, pf.	....	55	..	..	..
4	2	.	...	Frost Steel	....	3	..	..	..
86	68	1.75	...	Do. pref.	9	85	86	85	85
				G					
5½	3	.	...	Gen. St. Wares.	191	3	3½	3½	3½
55	35	.	...	Do. pref.	30	39	37	35	35
72½	59	.	...	Goodyear Tire	225	61	62	59	62
54¾	51½	.	...	Do. pref.	227	54½	54¾	53½	53¾
1½	¾	.	...	Gt. W. Saddlery	500	1	1	1	1
20	14	.	...	Do. pref.	....	14	..	..	..
6¾	4	.	...	Gurd Chas.	60	4½	4¾	4½	4½
‡100½	80	7	...	Do. pref.	....	100	..	..	..
7¾	4½	.	...	Gypsum, Lime.	1058	4¾	5½	4¾	5½
				H					
5½	3	.	...	Ham. Bridge	280	3½	3½	3½	3½
33	18	.	...	Do. pref.	....	22	..	..	..
30½	24	50c	...	Ham. Cot., pf.	....	24	..	..	..
2½	1	.	...	Ham. U. Theat.	....	1	..	..	..
60	48	1	...	Do. pref.	10	48	50	50	50
3½	2½	.	...	Harding Carpet	42	3	2½	2½	2½
12	10	12½c	...	Hinde & Dauch.	55	10¾	10¾	10½	10½
6	5½	.	...	Holt Renfrew	....	6	..	..	..
30	30	.	...	Do. pref.	....	30	..	..	..
.60	.15	.	...	Honey Dew	....	.50	..	..	..
8	6	.	...	Do. pref.	....	8	..	..	..
13	9	.	...	H. Smith Pap.	195	9½	10	9½	10
95½	84	.	...	Do. pref.	55	93¾	95	95	95
34	28	2	6.1	Humberstone S.	....	34	..	..	..
11	6	.	...	Hunts (A)	55	7½	6½	6½	6½
11	7	.	...	Do. (B)	....	7	..	..	..
103	85	6	7	Huron & E. Mt.	....	85	..	..	..
17½	15	.	...	Do. 20% pd.	....	15½	..	..	..
3½	3	.	...	Hydro Electric.	....	3½	..	..	..
				I					
208½	157	10	6.1	Imperial Bank	34	158	163	158	163
22½	15½	50+37½c	4.6	Imperial Oil.	9652	19¾	19¾	19	19½
14½	12	52½c	4.1	Imperial Tob.	3005	13	12¾	12½	12¾
20½	17	1	...	Inter City Bak.	....	20½	..	..	..
42	25	4	...	Inter'c Coal	....	25	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b4¾	1½	.	...	Int. Hyd. E. A.	4800	3	3½	2¾	3
6	2	.	...	Int. Metal Ind.	415	3	3½	2	3
45	30	.	...	Do. pref.	....	30	..	..	..
101¾	99	5	...	Inter. Mill. p. n.	457	99½	100	99	100
114	109	7	6.4	Inter. Mill., pf.	....	109	..	..	..
30¾	22½	80c	2.5	Inter. Nickel	12787	31½	32	31½	31¾
4½	2	.	...	Inter. Paints	....	2½	..	..	..
20	19	.	...	Do. pref.	25	19	19	19	19
b3½	1½	.	...	Int. Pa. & P. A.	3100	3	3½	2¾	2¾
b1½	¾	.	...	Do. (B)	200	1¾	1½	1½	1½
b1½	¾	.	...	Do. (C)	3300	1	1½	1½	1½
b15¾	4½	.	...	Do. pref.	30700	15¾	17¾	15¾	15¾
39½	28½	1.50+50c	5.8	Inter. Pete.	10575	34¾	35	34	34¾
6	1	.	...	Inter. Power	70	1½	2½	1	2½
64	40	1	...	Do. pref.	345	43	48	45	48
13¾	12½	.	...	Inter. St. Rly. A	....	13¾	..	..	..
2	2	.	...	Do. (B)	....	2	..	..	..
4	1½	.	...	Inter. Util. (A)	....	2¾	..	..	..
.85	.25	.	...	Do. (B)	....	.40	..	..	..
				J					
30	22	1	3.3	Jam. Pub. Ser.	125	27	30	30	30
120	115	7	5.8	Do. pref.	10	120	120	120	120
				K					
8¾	6½	.	...	Kelvinator	50	6¾	6¾	6½	6¾
108	102	7	6.5	Do. pref.	....	106½	..	..	..
				L					
13½	7	.	...	Lake of Woods.	70	9	9½	9	9
101	80	.	...	Do. pref.	....	80	..	..	..
75	54	5	9.2	Landed Bank.	....	54	..	..	..
4	3½	.	...	Langley's	....	3½	..	..	..
80	60	7	11.6	Do. pref.	....	60	..	..	..
63	59	3	4.9	Laura Secord	65	60¾	60½	60	60½
5	2½	.	...	Lindsay, C. W.	....	5	..	..	..
40½	39	.	...	Do. pref.	....	40	..	..	..
19½	16½	1	5.7	Loblaw (A)	1365	17½	17¾	17½	18½
18½	16	1	6.1	Do. (B)	685	16½	16¾	16½	16½
7½	6¾	.	...	Louisiana Land	....	6¾	..	..	..
				M					
3½	3½	.	...	MacKin. Steel	....	3½	..	..	..
†96	90	.	...	Do. pref.	....	..	..	..	..
2½	2	.	...	Manitoba Pr.	....	2	..	..	..
.80	.50	.	...	M. L. Gard.	....	.60	..	..	..
4	3½	.	...	Do. pref.	65	3½	3½	3½	3½
1.30	.40	.	...	Maple Leaf	830	.40	.57	.50	.75
5	1	.	...	Do. pref.	100	1½	1½	1½	1½
12	12	60c	...	Maritime Tel.	....	12	..	..	..
15	14½	70c	...	Do. pref.	....	14½	..	..	..
20	14	.	...	Marcus Loew's.	....	16½	..	..	..
115	108½	7	6.2	Do. pref.	....	111½	..	..	..
5¾	4	.	...	Massey-Harris	4763	4	4½	4	4½
30	18¾	.	...	Do. pref.	325	23	24½	23	24½
15¾	11¾	80c	6.5	McColl Fron.	12097	12½	12½	12	12½
100¾	94	6	6.2	Do. pref.	382	95¾	96½	95¾	96
8	2	.	...	Do. Rights	32748	3	7	3	7
11½	7	.	...	Melchers (A)	1075	7¾	9½	7¾	9
4	2½	.	...	Do. (B)	....	2½	..	..	..
10	8½	.	...	Mercury Mills p	....	10	..	..	..
27	20	1	...	Mitchell, J. S.	2	25	23	23	23
101	101	7	6.9	Do. pref.	....	101	..	..	..
5½	3½	.	...	Mitchell, Robt.	10	3½	3½	3½	3½
5	5	.	...	Monarch Knit.	....	5	..	..	..
90	71½	7	7.9	Do. pref.	141	87	88	88	88
25	20	.	...	Montreal Cot.	....	22	..	..	..
97	73	7	8.7	Do. pref.	52	76	80	78	80
‡½	½	.	...	Montreal Exhib.	....	..	..	..	..
1.30	1.00	.	...	Mont. Is. Pr.	....	1.30	..	..	..
34½	26¾	1.50	4.6	Mont. L. & Pr.	8606	30¾	32½	30¾	31¾
32	30	2.50	8.3	Montreal Loan.	23	32	30	30	30
9	6¾	.	...	Mtl. Ref. & S.P.	....	9	..	..	..
2	1½	.	...	Do. Vot. Tr.	....	2	..	..	..
58	54½	3.20	5.7	Montreal Tele.	55	55	56	56	56
99	80	9	9.5	Montreal Trams	23	94	94	93	94
24	17½	50c	...	Moore Corp.	213	23½	23½	23	23½
144	118½	7	5	Do. pref. (A)	35	140	144	140	144
166	135	7	4.3	Do. pref. (B)	....	161½	..	..	..
1.10	.25	.	...	Muirheads	....	.50	..	..	..
6	6	.	...	Do. pref.	....	6	..	..	..
				N					
37½	31	1.60	4.6	Nat. Breweries.	1310	34½	35¾	34	35½
42	38	1.75	4.3	Do. pref.	96	39¾	40	39½	40
6½	4½	.	...	Nat. Grocers	110	5	5	5	5
130	121	7	5.4	Do. pref.	....	128	..	..	..
22	14½	.	...	N. Sew. Pipe A	45	14½	15	15	15
18½	12½	.	...	Nat. Steel Car.	170	12½	14	12¾	14
204	175	8	4.2	National Tr.	....	190	..	..	..
22	15	1	...	Niag. W. Weav.	....	22	..	..	..
52	45½	3	5.7	Do. pref.	....	52	..	..	..
1.90	.70	.	...	North Star Oil.	....	1.00	..	..	..
4.00	1.50	.	...	Do. pref.	161	3.00	3.05	3.00	3.00
				O					
190	140	8	5	Ogilvie Flour	20	160	163	158	158
152	130	7	4.8	Do. pref.	....	140	..	..	..
8½	5½	.	...	Ont. Eq. 10% pd	90	7	7	7	7
115	107½	6	5.2	Ontario Loan	....	115	..	..	..
13¾	8	.	...	Ont. Silknit	15	12	11	11	11
98	75	1.75	...	Do. pref.	5	94	94	94	94
6½	5	.	...	Ont. Steel	....	5	..	..	..
.35	.15	.	...	Orange Crush	....	.30	..	..	..
17	6	.	...	Do. 1st pref.	....	15	..	..	..
.55	.20	.	...	Do. 2nd pref.	....	.45	..	..	..
‡6	5	.	...	Ottawa Car	....	..	..	..	..
85	74	6	8	Ott. L. H. & Pr.	22	74½	75	74	74
107	100	6.50	6.3	Do. pref.	31	102½	103	102½	103
‡22	14	50c	...	Ott. Traction	....	20½	..	..	..
				P					
88	75	3	3.7	Page Hersey	163	79½	79	77½	78
‡130	24	.	...	Paton Mfg.	....	..	..	..	..
98	94	7	7.1	Do. pref.	10	97	98	98	98
63½	41	3	6.6	Penmans	125	41	45	41	45
115	106½	6	5.4	Do. pref.	10	110	110	110	110
24½	20½	1	4.6	Photo Eng.	80	21	22½	22½	22½
91	70	7	8.6	Porto Rico Pr. p	15	81½	81½	81½	81½
10½	6½	.	...	Power Corp.	618	7	8	7	8
94	80	6	6.5	Do. pref.	40	91½	92	91½	91½
2.50	.80	.	...	Prairie C. Oil.	....	1.00	..	..	..
16	6	12½c	...	Pressed Metals.	525	14	15	14¾	14¾
3.87	1.50	.	...	Price Bros.	....	2.00	..	..	..
33¾	15	.	...	Do. pref.	45	17	16½	16	16½
				Q					
17½	13	1	7	Quebec Power.	335	13	14½	13½	14½
				R					
58	40	2	5	Real Estate L'n.	....	40	..	..	..
7	4½	.	...	Regent Knit.	325	5	5¾	5½	5¾
3½	3½	.	...	Reliance Grain.	....	3½	..	..	..
30	27	1	3.4	River. S. Mills.	25	29	29	29	29
8	5½	.	...	Rogers Majest.	4365	5½	6½	5¾	6
92	83	6	6.8	Rolland P. pf.	19	87¾	88	86	88
173½	133½	8	5.4	Royal Bank	272	136	143	137	147
30	20	.	...	Russell Motor	10	25	25	25	25
96	70	6	6.4	Do. pref.	....	93½	..	..	..
				S					
3½	2	.	...	Sarnia Br. (A)	....	3½	..	..	..
‡1¾	1¾	.	...	Do. (B)	....	..	..	..	..
20	14¾	50c	2.8	Shawinigan	4763	16	18¾	16	18½
17	9½	.	...	Sher. Wms.	235	10	10½	9¾	10½
102	100	1.75▲	...	Do. pref.	50	100	102	102	102
14	9¾	.	...	Simon & Son	....	10½	..	..	..
109½	90	.	...	Do. pref.	....	92	..	..	..
90	62	4	...	Simpson, Ltd.	97	69	72	68	72
12	9	.	...	Do. (A)	....	10	..	..	..
11	5	.	...	Do. (B)	4	8	8	8	8
109	103	6	5.6	Simpson, R., p.	70	107	107	106	107
14½	9½	80c	5.8	So. Can. Pr.	175	12½	13¾	12½	13¾
100	82	6	6.5	Do. pref.	50	92	92	90½	92
1.90	.60	.	...	St. Law. Corp.	1895	1.15	1.50	1.20	1.25
8¾	3	.	...	Do. (A)	155	7	7½	7	7
39½	30	2	6.1	St. Law. Flour	....	32½	..	..	..
125	113	7	6	Do. pref.	10	115	113	113	113
16½	8½	.	...	St. Law. Pap. p	654	13	13½	12¾	13
7	4	.	...	Stand. Chem.	....	4	..	..	..
1.75	.70	.	...	St. Pav. & Mat.	....	.85	..	..	..
15	9	.	...	Do. pref.	....	12	..	..	..
25	20	.	...	Stand. Steel, pf.	....	25	..	..	..
50½	42½	1.75	3.5	Steel of Can.	1496	49	49½	48½	48¾
48½	41	1.75	3.8	Do. pref.	540	45	46	45½	46
4	2½	.	...	Sterling Coal	....	3	..	..	..
4¾	4¾	.	...	Stop & Shop	....	4¾	..	..	..
3	1½	.	...	Supersilk, H.	1	1½	1¾	1¾	1¾
70	58½	3.50	5.3	Do. pref.	10	68	65	65	65
31	21½	1	3.5	Sup. Pete. ord.	155	28¾	29	28½	28½
28	23	1	3.5	Do. com.	....	28	..	..	..
115	110	7	6.3	Do. pref.	....	111	..	..	..
				T					
30	23	.	...	Tamblyn	....	24	..	..	..
114	110	7	6.2	Do. pref.	4	112	112	112	112
6	2½	.	...	Thayers	25	2½	3	3	3
41	33	3.50	10.6	Do. pref.	....	33	..	..	..
2.00	1.00	.	...	Thrift Stores	....	2.00	..	..	..
13	5	.	...	Do. pref.	....	7	..	..	..
12¾	7	.	...	Tip Top Tailors	40	9	8	7	8
98½	...	7	7.3	Do. pref.	....	95	..	..	..
‡22	10	.	...	Tooke Bros.	....	..	..	..	..
15	15	.	...	Do. pref.	....	..	..	..	..
42	32½	1	3	Tor. Elevators.	....	33	..	..	..
129½	108	7	6	Do. pref.	3	112	115	115	115
125	80½	6	7.4	Tor. Gen. Tr.	47	90	81½	80½	81½
121	110	6	5.2	Toronto Mtge.	....	115	..	..	..
.15	.10	.	...	Traymore	....	.10	..	..	..
.90	.50	.	...	Do. pref.	....	.50	..	..	..
145	133	7	4.9	Tuckett Tob. p.	5	141	143	143	143
4½	2	.	...	Twin City	....	2¾	..	..	..
b27¾	18½	.	...	Do. pref.	....	23	..	..	..
				U					
6	3½	.	...	Union Gas	7670	6	7½	5¾	7½
11½	9	.	...	Un. Amuse. A.	....	11½	..	..	..
‡7½	7½	.	...	Do. (B)	....	..	..	..	..
1.40	.50	.	...	United Distill.	....	.60	..	..	..
‡3	3	.	...	United Fuel	....	..	..	..	..
25	17	.	...	Do. pref.	357	18½	21	18	21

Active Corporation Bonds

(Furnished by Toronto Bond Traders' Ass'n.)

October 15, 1935

Public Utility Issues:	Int. Rate	Due	Bid Oct. 15	Asked Oct. 15	Bid Oct. 8
‡Avalon Telephone	5½%	1948	99½	102	99
Beauharnois L., H. & Power	5½%	1973	92½	94½	90½
Beauharnois Power Corp.	5%	1973	34	36½	31½
*Bell Telephone	5%	1955	112½	114½	113
*Bell Telephone	5%	1957	116	118½	116
†B. C. Power	5%	1960	99	101	98½
†B. C. Power	5½%	1960	102	104	101½
†B. C. Telephone	5%	1960	105½	...	105
†Calgary Power	5%	1960	92	95	91½
Calgary Power	5%	1964	90½	93½	90½
†Canada Northern Power	5%	1953	101½	103½	100½
†Cedars Rapids Mfg. & Pwr.	5%	1953	113	115	113
Dominion Gas & Electric	6½%	1945	82½	85	77½
▪Duke-Price	6%	1966	102½	105	102½
*Gatineau Power	5%	1956	84½	86½	81
*Gatineau Power	6%A	1941	70	72	67
*Gatinuea Power	6%B	1941	69	71	66½
*International Hydro-Electric	6%	1944	45	48	41½
†Maclaren-Quebec Power	5½%	1961	68	70	58
Maclaren-Quebec Power	5½%	1964	65	69	57½
*Manitoba Power	5½%	1951	59½	62	57½
†Montreal Island Power	5½%	1957	102	104	101½
†Montreal L., H. & Power	5%	1951	107½	109½	107½
†Montreal Public Service	5%	1942	105½	...	105
†Montreal Tramways	5%	1955	83	86	81½
†Montreal Tramways	4½%	1955	78	81	77½
†Montreal Tramways	5%	1941	101½	103½	101
National Light & Power	6%	1949	92	95	92
†N. S. Light & Power	5%	1958	102½	105½	102
†Ottawa Light, Heat & Power	5%	1957	105½	...	105
†Ottawa Valley Power	5½%	1970	93	95½	90½
†Power Corp.	4½%	1950	83½	86½	82
†Provincial Light & Power	5%	1946	106	...	105
*Quebec Power	5%	1968	105½	...	105
†Shawinigan Water & Power	4½%	1970	99	101	98½
†Shawinigan Water & Power	5%	1970	104	106	102½
†Southern Canada Power	5%	1955	105½	...	105½
†United Securities	5½%	1952	76½	79½	75½
†West Kootenay Power	5%	1956	105½	107½	105
†Western Power Co.	5%	1949	104½	...	104½
*Winnipeg Electric	5%	1935	98	100	98
*Winnipeg Electric	6%	1954	59½	62	57½
Industrial and Realty Issues:					
Abitibi Power & Paper	5%	1953	31½	33½	31
†Acadia Sugar	6%	1946	103½	...	103½
†Alberta Pacific Grain	6%	1946	88½	91	87
‡Asbestos Corp.	5%	1942	85½	...	83
Brandram-Henderson	6%	1936	98	...	98
British American Oil	5%	1945	105½	107½	104½
British American Oil	4%	1945	101	103	100½
Burns & Co.	5½%	1948	61	...	58
Canada Bread	6%	1941	106½	109	106½
†Canada Cement	5½%	1947	103	105	102½
†Canada Paper	6%	1945	100½	...	100½
‡Canada Steamship	5%	1943	100	...	100
Canada Steamship	6%	1941	42	44	40½
†Canadian Canners	6%	1950	104	106	104½
Canadian Cons. Felt	6%	1940	103	...	103
C. P. R.	6%	1942	106½	109	105½
C. P. R.	4½%	1944	94	96½	92
*C. P. R.	5%	1954	104	106	103½
C. P. R.	4%	1949	93½	95½	91½
†Canadian Vickers	6%	1947	77	80	74½
Consolidated Paper	5½%	1961	17	19	16½
Debenture & Security	4%	1936	95	...	95
†Dominion Canners	6%	1940	108	...	108
†Dominion Tar	6%	1949	99	101	98½
†Donnacona Paper	5½%	1948	40	43	41
†Eastern Dairies	6%	1949	85	88	85
Eaton T. Realty	5%	1949	101	103	100½
†Famous Players	6%	1948	101½	103½	101½
†Famous Players	6½%	1948	95	98	94
†Federal Grain	6%	1949	92½	95	91
Fraser Companies (unstamped)	6%	1950	60	...	59
Fraser Companies (stamped)	6%	1950	54½	...	54
†General Steel Wares	6%	1952	92½	94½	92½
Great Lakes Paper	6%	1950	40	42	39½
†Gypsum, Lime & Alabast.	5½%	1948	87	90	87
Hamilton Cottons	5½%	1948	100½	103	100½
*Hamilton By-Prod. Coke	7%	1943	103	...	103
*Hinde & Dauch	5½%	1948	102	104½	102
†Internat'l. P. & P., Nfld.	5%	1968	101	103	100
Inter City Baking	5½%	1948	99½	102	99½
Inter-City West Bakeries	6½%	1950	26	...	25
Lake St. John Pwr. & Pap.	6½%	1947	71½	74½	70½
†London Can. Invest.	4½%	1948	80	83	80
London Realty	6%	1950	88	92	88
†Massey-Harris	5%	1947	84½	87½	82½
McColl-Frontenac	6%	1949	103½	105½	103½
†Mercury Mills	5½%	1953	...	35½	...
Metropolitan Bldg.	7%	1944	100	...	100
Minn. & Ont. Paper	6%	1945	16½	18½	16
‡Montreal Cottons	5%	1947	101	...	100
Montreal Dry Docks	6%	1948	66½	69½	66½
*Provincial Paper	5½%	1947	102	104	102
*Reliance Grain	6%	1948	99½	101½	98½
Richmond Bay Bldg.	6½%	1947	93½	96½	94
‡Riordon Pulp & Paper	6%	1942	104	...	104
†Rolland Paper	5½%	1948	103	...	103
Ruddy & Co., E. L.	6½%	1948	94½	...	92½
St. Lawrence Flour	6%	1941	103	...	103
†Simpsons Ltd.	6%	1949	103	105	103
Simpsons Ltd.	5½%	1949	99½	...	99½
†Smith, Howard	5½%	1953	103	105	103
‡Steel Co. of Canada	6%	1940	111½	...	111½
Toronto Carpet	6%	1944	102	...	102
United Amusement	6%	1942	98	...	98
United Corpns.	5%	1953	87	90	87
United Grain Growers	5%	1948	93½	96½	93
United Grain Growers	5½%	1949	96½	99½	96½
‡Wabasso Cotton	6%	1947	102½	...	102½
Wabasso Cotton	7%	1942	104½	...	104½
Western Grain	6%	1949	68½	71½	66
Woods Mfg.	6%	1943	101	...	101
Zimmerknit Mfg. Co.	6%	1951	99½	102	99½

‡Payable in Canada or U. K. †Payable in Can., U. S. or U. K.
▪Payable in U. S. only. *Payable in Can. or U. S.

Unlisted Mining Stocks

October 15, 1935

	Bid	Asked		Bid	Asked
Ascot	.26	.28	Jellicoe	.07½	.08½
Arntfield Synd.	1.10	1.20	Johnson Nip.	.02	.03
Adanac	.07	.08	Kirk. Gold Belt	.08	.10
Ardeen	.10	.12	Lafayette L. Lac	.01¾	.02½
Athona (Gt. B. L.)	.45	.48	La Palme	.27	.29
Athabaska Portals	.30	.33	Long Lac Lagoon	.04	.05
Bailor	..	.01	Lamaque Gold	2.10	2.15
Bidgood Kirk.	.07½	.08½	MacFarlane	..	.02
Bankfield Gold	.34	.36	MacL. Cockshutt	.05	.06
Bathurst	.00½	.01	Magnet Lake	.03½	.04½
Bosquet Gold	.05½	.06½	Matachewan Can.	.09	.11
Can. Pandora	.02½	.03½	McCarthy Webb	.03	.04
Can. Radium	..	.36	Morrison Mines	..	.15
Casey Summit	.06	.08	Mosher	.02	.03
Canusa Mining	.04	.05	N.A.M.E. Un.	34.00	..
Casey Contact	.02½	.03½	North Shores	.02	.02¾
Central Porc.	.15	.18	Okland	.22	.24
Cons. Chib. Free	.48	.51	O'Leary	.06	.07
Cons. Chib. Pool	.48	.51	Opemiska	1.30	1.40
Columario Cons.	.01	.02	Pamour Porc.	2.25	2.35
Dorval Siscoe	..	4.00	Rice Lake	.02	.03
Dunlop Cons.	.00½	.01	Shawkey	.43	.45
El Bonanza	.12	.14	Silverado Gow.	.27	.30
Forty-four Gold	4.00	4.50	Smelter Gold	.04	.05
Glenora Gold	.05	.07	Smith Cobalt	.10	.12
Galatea	.05	.06	Straw L. Beach	.07	.09
Goldside	.03½	.04½	Sturgeon R. Gold	.58	.62
Gold Eagle	.15	.20	Sun Bear	..	.15
Greenlaw	.03½	.04½	Thom.-Cadillac	.02½	.03
Hardrock	.43	.46	Wells L. Las	.05½	.06½
Hislop Gold	..	.06	Wingold	.04	.05
Horseshoe	.01½	.02½	Young David	.13	.15
Hudson Patricia	.08½	.09½	Wendigo	.15	.16½

Winnipeg Stock Exchange

(Transactions from Oct. 5 to Oct. 12)

Div. rate in $	Yield in %		Sales	High for period	Low for period	Close Oct. 12
..	..	Bailor Gold	4,000	.01	.00⅝	.00⅝
..	..	El Bonanza	2,000	.10	.10	.10
..	..	Flin Flon Synd.	1,150	.23	.20	.21½
..	..	Gabrielle	1,000	.17	.17	.17
..	..	Gold Lake	9,250	.30	.25	.30
..	..	Island Lake	1,000	.03	.03	.03
..	..	Knee Lake	3,700	.35	.34	.34
..	..	Shawkey	100	.41	.41	.41
1	8	United Grain	23	12.50	12.50	12.50
..	..	Wingold	4,200	.04	.03	.04
..	..	Wylie Dom.	6,900	.10	.10	.10

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	West. Grain, pfd.	8	10
Beaver Lumber, c.	..	3	Can. Amer. Trust	3.05	3.30
Candn. Fire Ins.	..	75	Can. Inv. Fund	..	3.85
City Dairy, A	..	10	West. Brew.	..	1.95
Crescent Cream., pf.	27	..	Fundamental A	4.94	5.50
Federal Grain	..	75	Series B	4.67	...
Northern Trust	..	7	Grouped Inc.	4.82	5.30
Great-West Life	390	398	Pelissiers, pfd.	15.00	..
Home Invest.	25.00	....	Vanson Man.	.01½	.02½
Monarch Life	17.00	18.50	Wallace Lake	..	.03
Rel. Grain, pfd.	..	72			

*Stocks more active on other exchanges not included.

Montreal, Toronto and Curb Markets (Cont'd)

Range 1935 High	Low	Divd. Rate in $	Y'ld in % Oct. 12		Sales	Close Oct. 7 (last)	Week Ending (or Oct. 14) High	Low	Close
30	23	2	8.6	United Secs.	15	27	23	23	23
5	2	▲	...	United Steel	275	2¾	2¾	2¾	2¾
				V					
2.00	1.00	.	...	Viau Biscuit	....	1.30	..	..	..
20½	12	.	...	Do. pref.	....	15	..	..	..
				W					
27	16	.	...	Wabasso Cot.	25	18	19	19	19
33	23	.	...	Walker-Good.	5757	24¾	25¾	23½	25
18½	16¾	1	5.8	Do. pref.	847	17½	17¾	17½	17¾
4.25	2.00	.	...	Walkerville Br.	1765	2.00	2.70	2.00	2.70
2.75	1.00	.	...	Waterloo Mfg.	115	1.25	1.10	1.10	1.10
6	2½	.	...	West. C. Flour.	10	3½	4½	4½	4½
52	20	.	...	Do. pref.	....	24½	..	..	..
43	32	30c	...	West. Grocers	....	45	..	..	..
101	95	7	6.9	Do. pref.	15	99	101	101	101
120	120	7	5.8	W. Koot. Pr. pf.	....	120	..	..	..
16	13¾	1	...	Weston Ltd., n.	390	14½	15	14¾	14¾
115	100	7	6.3	Do. pref.	....	110	..	..	..
8½	1½	.	...	Whittall Can.	430	8½	8¾	8¾	8¾
112	75	6.50	5.8	Do. pref.	....	111	..	..	..
3	2	.	...	Windsor Hotel	....	2	..	..	..
8	4	.	...	Do. pref.	....	4	..	..	..
2.25	.90	.	...	Winnipeg Elec.	87	1.25	1.25	1.25	1.25
10	4	.	...	Do. pref.	43	7	7	5	7
30	20½	.	...	Wood, A & J, p	....	20½	..	..	..
70	50	.	...	Woods Mfg. pf.	....	50	..	..	..
				Z					
5½	2½	.	...	Zimmerknit, c.	49	2¾	2¾	2¾	2¾
85	63½	7	11	Do. pref.	....	63½	..	..	..

‡ Quotations for 1934. No sales recorded in 1935 to date.
§ Quotations for 1933. b New York Quotations.
† Quotations for 1931. ▲ On account of arrears.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

October 15, 1935

Industrial Stocks:	Bid	Asked
Acadia Sugar, c.	3.05	...
Do., pfd.	4.75	5.00
Acme F. Dairy, p.	42.00	...
Allens Beach, pfd.	53.00	...
Allens King., pfd.	51.00	....
Allens Tor. p. b. c.	23.50	...
Andian National	45.50	47.00
Atlantic Sugar, p.	104.50	106.00
B. C. P. & P., p.	9.00	14.00
Burns & Co., A	5.00	6.00
Do., B	3.10	4.00
Can. & Dom. Sug.	56.00	57.00
Can. Mach., com.	...	.40
Canada Paper, p.	66.00	75.00
Canada Starch, c.	12.50	...
Do., pfd.	82.50	...
Can. Wire & C., p.	66.00	68.50
Can. Indust. A, c.	196.00	...
Do., B, com.	195.00	198.00
Do., pfd.	157.00	160.00
Can. P'board, p. b.	4.25	6.00
Can. Tube 1st pfd.	28.00	...
C. Westinghouse	48.00	50.50
Chase, A. W., p. b.	23.50	...
Cl. Neon Ad. U.	5.00	...
Corr. P. Box, p.	86.00	88.00
Dom. F. & St. c. (New)	21.00	24.00
Do., pfd. (New)	78.00	84.00
Dom. Manuf. c.	3.50	...
Donna. Paper, A	3.00	5.00
Dufferin Pav., p.	27.50	...
Dunlop Tire, p.	..	67.50
East. Dairies, p.	11.25	12.50
Edm. C. Dairy, p.	55.00	...
Fed. Grain, c.	.50	.85
Do., pfd.	26.00	27.50
Gen. St. Wares, p.	35.50	38.00
God. Elevator	5.25	6.25
Greening Wire, p.	100.00	103.00
Guelph Carpet, p.	98.00	99.50
Do., com.	14.25	15.50
Hayes Wheels, p.	...	10.00
Highland Dairy, c.	2.90	3.40
Do., pfd.	71.00	80.00
Huether Brew., pfd. bonus	2.25	3.00
Inter City Bak., c.	18.50	20.50
Inter. Met. Ind. A. pfd.	27.00	32.00
Loew's London, p.	1.70	1.90
Loew's Tor., pfd.	112.00	115.00
Mansf. Theat., p.	24.75	26.00
Maple Leaf Gdns., pfd.	3.35	4.00
Massey Harris, p.	24.00	25.50
Mercury Mills, p.	5.00	8.00
Morrow Screw, p.	95.50	99.00
New M. Laund. pfd. bonus	63.00	69.00
Niag. W. Weav., p.	51.25	54.00
Para. Oshawa, pfd.	56.00	...
Prov. Paper, pfd.	95.50	97.00
Rel. Grain, pfd.	68.00	...
Rob. Cons. Cone	8.50	9.25
Rolland Paper, p.	86.00	88.00
Ruddy, E. L., pfd.	28.00	...
Silverwood's D. p.	40.50	42.50
Stand. Fuel. p. b.	102.50	104.00
Super. Pet., B, p.	26.25	28.00
Toronto Carpet, p.	27.00	...
United Amuse. A	11.75	13.00
Do., B	10.00	11.50
United Steel, A, p.	3.50	4.50
West. Grain, p. b.	9.60	11.00
Insurance Stocks:		
Canada Life	470.00	...
Brit. America	36.00	37.50

Insurance Stocks: (Cont.)	Bid	Asked
Canadian Fire	75.00	77.00
Can. Ins. Sh., c.	9.75	11.00
Conf. L. 20% pd.	120.00	125.00
Cont. L. 20% pd.	36.00	39.00
Crown Life	105.00	...
Dom. Fire	110.00	120.00
Dom. L. 50% pd.	260.00	300.00
Dom. of Can. Gen.	...	84.00
Empire L. 25% pd.	5.00	...
Excels. L. 30% pd.	69.00	72.00
Fed. Fire 25% pd.	33.50	37.50
Fidelity of Can.	47.00	56.00
Gt. West Life	385.00	396.00
Guar. Co. of N. A. fully pd.	240.00	...
Imperial Life	315.00	...
Manufac. Life	253.00	260.00
Mon. Life 10% pd.	17.00	19.50
Nat. Life 25% pd.	54.00	57.00
Sov. Life 25% pd.	12.00	18.00
Sun Life	350.00	380.00
Tor. General Ins.	4.60	5.25
West. Assur., c.	35.00	37.00
Do., 12% pd.	39.00	46.00
W. Em. L. 25% pd.	...	9.50
Trust & Loan Stocks:		
Chartered Trust	75.00	80.0
London & W. Tr.	34.50	36.50
Premier Trust	86.50	91.00
Sterling Trust	30.00	35.00
Traders Fin. B, p.	64.00	...
Do., com.	.80	...
Trusts & Guar.	22.50	...
Victoria Trust	110.00	120.00
Waterloo Trust	90.00	...
Investment Trust Shares:		
Can. Gen. Invest.	6.20	6.40
Can. Investors	6.50	...
Can. Int. Inv. Tr. Units	26.50	29.00
Cons. Div. St. Sec. Units	10.85	12.00
Deb. & Sec., pfd.	29.00	...
Dom. & Anglo Inv. Units	199.50	...
Dom. Scott. Inv. U.	23.50	25.00
For. P. Sec., pfd.	4.25	6.00
Invest. Found. U.	40.50	42.00
Sec. Holding C. U.	11.00	13.00
United Corpns. A	18.75	19.50
Do., Ltd., B	5.60	6.50
Power Issues:		
Calgary Power, p.	79.00	81.00
Can. L. & P., com.	23.50	27.00
Can. W. N. Gas, p.	89.00	91.00
Do., com.	21.50	23.00
Gt. Lakes Pwr. p.	67.00	71.00
N. B. Tele., com.	10.00	11.50
Nor. Ont. Pwr., p.	95.00	...
N. S. L&P, com.	47.50	...
N. S. L&P, pfd.	96.00	98.00

Recent London Quotations:

Brit. Col. Tele., pfd.	$105
Brew. & Distillers	4s. 1½d.
Canada Company	7s. 6d.
Can. & For. Secs.	4s.
Can. Collier, $1 com.	1½d.
Do., pref. $10	4½d.
Can. N. W. Land	10s.
Can. West. Lumber	10½d.
Hudson's Bay	16s. 6d.
Do., pref.	85s. 0d.
Imp. Tob. (Canada) 6% pfd.	27s. 6d.
Third Can. Gen. Inv.	6s. 6d.

Dominion and Provincial Bonds

(Furnished by Toronto Bond Traders' Ass'n.)

October 16, 1935

Dominion of Canada Bonds

	Rate	Due	Bid Oct. 16	Asked Oct. 16	Approx. Yield	Bid Oct. 9
Dominion	2	15 Oct. 1936	99.85	100.50	1.49	99.85
Dominion	5	15 Nov. 1936	102.75	103.75	1.49	102.00
†‡Dominion	5	1 Mar. 1937	105.75	106.75	...	105.50
‡Dominion	5½	1 Dec. 1937	106.25	107.25	2.00	105.75
Dominion	2½	15 Oct. 1939	99.75	100.75	2.30	99.50
Dominion	4	15 Oct. 1939	104.00	105.00	2.67	102.50
Dominion	4½	1 Sept. 1940	106.75	107.75	2.79	104.25
Dominion	5	15 Nov. 1941	108.00	109.00	3.35	105.50
Dominion	3	15 Oct. 1942	100.50	101.50	2.76	100.00
Dominion	2½	1 June 1943	98.50	99.50	2.57	97.50
Dominion	5	15 Oct. 1943	108.75	109.75	3.59	106.50
Dominion	4½	15 Oct. 1944	106.75	107.75	3.49	104.50
Dominion	4	15 Oct. '43-48	103.25	104.25	3.39▲	102.00
Dominion	4½	1 Feb. 1946	106.75	107.75	3.61	104.50
Dominion	3½	15 Oct. '44-49	101.75	102.75	3.15▲	100.00
Dominion	4	15 Oct. '47-52	103.00	104.00	3.59▲	101.75
Dominion	3	1 June '50-55	98.75	99.75	3.01	97.00
Dominion	4½	1 Nov. '46-56	106.00	107.00	3.72▲	104.00
Dominion	4½	1 Nov. '47-57	106.00	107.00	3.77▲	104.00
Dominion	4½	1 Nov. '48-58	106.50	107.50	3.77▲	104.35
Dominion	4½	1 Nov. '49-59	106.50	107.50	3.80▲	104.35
Dominion Guaranteed Bonds						
*G. T. P. Ry.	3	1 Jan. 1962	98.00	99.00	3.05	96.25
Can. N. Ry.	3	1 May 1944	99.50	100.50	2.94	98.00
Can. N. Ry.	3	15 Dec. '45-50	98.50	99.50	3.04	97.50
*Can. N. Ry.	4½	1 Sept. 1951	108.25	109.25	3.73	106.50
*Can. N. Ry.	4½	1 Feb. 1956	108.25	109.25	3.84	106.50
†Can. N. Ry.	4½	1 July 1957	107.50	108.50	3.92	105.75
*Can. N. Ry.	4¾	15 June 1955	110.25	111.25	3.93	108.50
Can. N. Ry.	5	1 Feb. 1954	110.25	111.25	4.12	107.75
*Can. N. Ry.	5	1 July 1969	112.25	113.25	3.70▲	110.00
*Can. N. Ry.	5	1 Oct. 1969	113.25	114.25	3.94▲	110.50
*M. Harb. C.	5	1 Nov. 1969	113.25	114.25	3.94▲	110.50
Provincial Government Bonds						
Eastern—						
†N. Bruns.	4½	15 Apr. 1961	105.00	107.00	4.06	102.50
†N. Bruns.	5	15 Jan. 1960	108.00	110.00	4.33	106.50
N. Bruns.	5½	15 May 1950	110.00	112.00	4.39	108.00
N. Scotia	4½	15 May 1943	105.00	107.00	3.44	102.50
†N. Scotia	4½	15 Sept. '47-52	106.00	108.00	3.66▲	103.50
N. Scotia	4½	15 May 1961	107.00	109.00	3.94	104.50
†N. Scotia	5	1 Mar. 1960	110.00	112.00	4.21	107.50
*Ontario	4	1 June 1962	101.00	102.50	3.85	100.50
*Ontario	4½	1 Sept. 1944	106.00	107.50	3.50	104.50
Ontario	4½	1 June 1950	105.75	106.75	3.90	103.00
*Ontario	4½	15 Jan. 1962	107.00	108.50	3.98	104.50
Ontario	5	15 Oct. 1948	108.00	109.00	4.10	105.00
*Ontario	5	2 Dec. 1960	111.50	112.50	4.19	109.00
Ontario	5½	1 July 1946	110.00	111.50	4.17	107.25
O. H. C.	3½-4-5	1 Oct. '33-52	100.00	101.00	1.30▲	99.50
*Ont. Hyd. C.	4	1 Aug. 1957	101.50	102.50	3.83	101.00
Ont. Hyd. C.	4¾	1 Jan. 1970	104.00	106.00	4.41	103.50
Quebec	4	15 Mar. 1952	102.50	105.00	3.61	102.00
Quebec	4¼	1 Aug. 1958	107.00	109.00	3.87	105.00
Quebec	4½	2 Jan. 1963	108.50	111.50	3.82	107.00
Western—						
†Alberta	4	1 Dec. 1957	86.50	88.00	4.89	86.50
†Alberta	4½	1 Oct. 1956	88.00	90.00	5.29	88.00
†Alberta	5	1 Jan. 1948	92.00	93.50	5.74	90.00
Alberta	5	1 Sept. 1955	91.00	93.00	5.58	90.00
*Alberta	5	1 Oct. 1959	92.00	94.00	5.45	91.00
†Alberta	5½	1 Jan. 1947	95.00	97.00	5.86	94.00
Alberta	6	1 Mar. 1947	97.50	99.50	6.06	96.50
†Brit. Col.	4	1 Dec. 1957	91.00	92.00	4.57	90.00
*Brit. Col.	4½	15 Jan. 1951	95.50	97.00	4.78	94.50
†Brit. Col.	4½	1 Oct. 1953	94.50	96.00	4.83	94.00
†Brit. Col.	5	15 Jan. 1948	98.50	100.00	5.00	97.50
Brit. Col.	5	1 Sept. 1953	98.00	99.00	5.09	96.50
Brit. Col.	5½	1 Feb., 1945	99.50	101.00	5.36	98.00
Brit. Col.	6	15 Feb. 1947	100.50	102.00	5.76	100.00
†Manitoba	4	1 Dec. 1957	95.00	96.50	4.24	94.50
†Manitoba	4½	15 Dec. 1956	99.50	100.50	4.46	98.50
†Manitoba	5	15 June 1954	102.00	104.00	4.67	102.00
*Manitoba	5	2 Dec. 1959	103.50	106.00	4.59	102.00
Manitoba	5½	1 Oct. 1955	103.00	105.00	5.10	102.50
Manitoba	6	1 Apr. 1947	104.50	106.50	5.24	103.50
Sask.	4	15 Aug. 1953	87.00	88.50	4.97	85.00
*Sask.	4½	2 July 1945	95.00	97.00	4.88	94.00
†Sask.	4½	1 Oct. 1951	93.00	94.00	5.05	92.00
Sask.	5	1 Aug. 1958	97.00	98.00	5.15	96.50
†Sask.	5½	15 Nov. 1946	100.50	101.50	5.31	98.50
Sask.	6	15 Mar. 1952	102.50	104.50	5.58	101.00
Municipal Bonds						
†Calgary	5½	2 June 1944	75.00	85.00	7.90	75.00
†Edmonton	5½	1 Nov. 1945	83.00	87.00	7.35	83.00
†Halifax	5	1 July 1961	110.00	112.00	4.23	107.00
Hamilton	5	1 May 1950	100.00	104.00	4.61	99.00
Montreal	5	1 Mar. 1945	102.00	103.50	4.54	102.00
Ottawa	4½	1 July 1945	103.00	107.00	3.64	101.00
†Quebec	5	1 June 1959	104.00	106.00	4.50	103.00
Regina	5	1 July 1944	75.00	80.00	8.25	75.00
St. John	5	15 Dec. 1950	105.00	107.00	4.37	104.00
†Toronto	4½	1 Jan. 1955	104.50	107.00	3.98	102.00
Vancouver	5	1 June 1969	86.00	90.00	5.66	86.00
Victoria	5	21 July 1945	92.00	96.00	5.53	92.00
Winnipeg	5	1 Mar. 1944	100.00	103.00	4.56	100.00

Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. •Calculated to maturity, although callable prior to that date. ‡Exempt from Dominion income tax.

Listed Bond Quotations

Week Ending Oct. 14, 1935

	Int. rate	Due	Yield	Latest Bid	High	Low	Range 1935 High	Low
Mtl. L. H. & P. Debs.	3	1939	3.00	50½	50½	50½	50¾	46
Mtl. Trams. A	5	1955	7.52	82½	82½	82½	84¾	75

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and in its mining quotations elsewhere in this issue, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

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SMOKING MIXTURE
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EDITOR WANTED

A national weekly newspaper has an opening for a really high-class, thoroughly trained news editor capable either of taking complete charge of news coverage or of handling one or two major departments. The necessary qualifications are: adequate experience, imagination in planning feature articles and coverage of news, ability to train men and bring out their best; a facile, readable style that combines factual accuracy and sound interpretation with human interest value.

This sets a pretty high standard but there are good men in Canada looking for an opportunity like this and we would like to hear from some of them. It is probable that the right man is presently employed but is seeking a larger opportunity.

Some newspaperman who sees this advertisement may know of a friend who would appreciate having it drawn to his attention. Box 245, The Financial Post, Toronto.

DIVIDEND NOTICES

Quebec Power Company

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ended September 30th, payable November 15th, to shareholders of record October 25th, 1935.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, October 15, 1935.

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 42

A DIVIDEND of Twenty Cents (20c) per share, being at the rate of 80c., per annum, on the no par value COMMON STOCK of Southern Canada Power Company, Limited, has been declared for the quarter ending October 31st, 1935, payable November 15th, 1935, to shareholders of record at the close of business on October 31st, 1935.

By order of the Board,

L. C. HASKELL,
Secretary.

Montreal, October 4th, 1935.

ANGLO-CANADIAN TELEPHONE COMPANY

PREFERRED DIVIDEND NOTICE

NOTICE is hereby given that a dividend of One and Three-Quarters Per Cent. (1¾%) has been declared on the 7% Cumulative Preferred Stock of the Company for the Quarter ending October 31, payable November 1, 1935, to Stockholders of record at the close of business on October 15, 1935.

By Order of the Board,

GEOFFREY PURDY,
Secretary.

Montreal, October 14, 1935.

Hollinger Consolidated Gold Mines Limited

Dividend Number 272

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 4th day of November, 1935, to shareholders of record at the close of business on the 18th day of October, 1935.

Dated the 11th day of October, 1935.

I. McIVOR,
Assistant-Treasurer.

McIntyre Porcupine Mines, Limited

(No Personal Liability)
DIVIDEND NO. 68

Notice is hereby given that a dividend of ten per cent. (10%) on the Company's Capital Stock will be paid in New York funds on December 2, 1935, to shareholders of record at the close of business on November 1, 1935.

By order of the Board,

BALMER NEILLY,
Treasurer.

Dated at Toronto, October 11th, 1935.

Company Earnings

Carriage Factories

A sharp increase in deficit account of Carriage Factories Ltd. is shown by the annual report for the year ended July 31, 1935, as result of writing off the balance of the goodwill account amounting to $160,981. Net income for the year amounted to $1,395. The company formerly manufacturing at Orillia, Ont. and other points, is being liquidated.

Early this year goodwill was written down from $1,360,981 to $160,981 through reduction in capital stock by cancellation of 12,000 common shares, par value $100 each.

The balance sheet shows cash of $3,165, accounts receivable of $69 after deduction of a reserve of $4,084 for bad debts, and $4,649 due from a director.

Investments in Canada Carriage & Body Co. are carried at $137,800 and other investments at $103.

Capital account consists of 12,008 shares (formerly preferred shares), at a reduced par value of $84 each.

Income and Surplus Account
Year Ended July 31

	1935
	$
Net income	1,395
Less: Previous deficit	674,278
Goodwill w/o	160,981
Deficit carried forward	833,864

Muirheads

Earnings of Muirheads Cafeterias recorded a further decline in the year ended Feb 28, 1935. As a result the company's income and surplus account shows an increase in deficit despite a reduction of $6,000 in provision for depreciation.

Working capital is down sharply from the previous year due to expenditures amounting to $63,777, on the new restaurant at Yonge and Shuter Streets, Toronto.

Capital impairment account is shown at $67,978. Loss on the Queen St. store dismantling was $73,711. Offsetting items were capital surplus of $4,913 and discount on preferred shares redeemed of $820. Capital assets as at Feb. 28, 1935, were $235,213 as against $269,147 in the previous year.

During the year 205 preferred shares were redeemed at a cost of $1,230. This brings the outstanding preferred shares to 5,592.

Income and Surplus Account
Years Ended Feb. 28

	1935	1934
	$	$
Net earnings	8,617	14,412
Less: Depreciation	24,000	30,000
Repairs & replace.	3,450	......
Deficit for year	18,833	15,588
Add: Previous deficit	15,123	6,067
Investment reserve	3,500	......
Work. comp. assess.	......	251
Trans. to cap. surp.	......	1,074
Less: Profit on secs.	3,651	7,598
Inc. tax adjust.	......	259
Deficit carr. forward	33,805	15,123

Working Capital
As at February 28

	1935	1934
	$	$
Current assets	68,552	112,961
Current liabilities	19,423	17,232
Working capital	49,129	95,729

A. W. Chase Co.

The A. W. Chase Co. and its subsidiary patent medicine firms earned $4.15 on each preferred share in the year ended April 30, 1935. This compares with $3.36 a share in 1933-34 and only 26 cents in 1932-33. The earnings improvement is attributed to general improvement of business conditions.

Dividends are being paid at 50 cents quarterly on the preferred stock. President W. J. Stone says directors intend to maintain this regular basis of $2 per annum and to disburse an extra payment at the end of the fiscal year when warranted. By reorganization of the company two years ago, the preferred stock was written down to a par value of $1 a share and goodwill was reduced to $1.

Income and Surplus Account
Years Ended April 30

	1935	1934
	$	$
Net profits	41,437	33,569
Less: Pref. dividends	19,962	14,986
Surplus for year	21,455	18,583
Add: Prev. surplus	18,583	......
Surplus forward	40,038	18,583

Working Capital

	1935	1934
Current assets	212,059	192,704
Current liabilities	38,410	32,807
Working capital	173,649	159,897

Acadia Sugar

Net income of Acadian Sugar Refining Co., for the eight months ended August last, after deducting depreciation and income tax but before bond interest, is reported by the auditors to be on a greater scale than for the corresponding period of 1934. Particulars of the current income are not available, but during all of 1934 net income totalled $306,695.

During the current year preference dividends have been paid to date, amounting to 9 per cent, reducing arrears of cumulative preference dividends to 4½ per cent.

A pro forma balance sheet as at Aug. 31, 1935, shows Acadia Sugar's net working capital to be over $1.3 millions, as against about $1.2 millions at the end of 1934. The latter figure was arrived at before taking into consideration investments of about $1.2 millions, whereas the 1935 figure includes investments of $659,153.

Goodwill is shown on the balance sheet at $1 million. This is the first time this item has been segregated from fixed assets.

Lake of the Woods Milling

Lake of the Woods Milling Co. reports net profits of $322,325 for the year ended August 31, 1935, as compared with $402,372 in the preceding year. This was after depreciation of $185,000 in both years. Brigadier-General F. S. Meighen, president, states that the company maintained its relative position in the Canadian industry both in domestic and foreign trade. He attributed decreased profits to "excessive and unnecessary price-cutting."

The deficit of working capital was eliminated during the year. Bank loans dropped from $3 to $2.9 millions and accounts payable were reduced from $631,932 to $270,415.

The earnings are equivalent to $21.49 a share on preferred as compared with $26.82 in 1934 and $20.04 in 1933. Common earnings of $1.47 a share compared with $2.01 and $1.32 in the two preceding years.

	1934-35	1933-34
	$	$
*Oper. profit	718,733	†803,262
Depreciation	185,000	185,000
Interest	196,383	215,890
Dir. fees	3,890	......
Executive sal.	51,000	......
Legal fees	749	......
Balance	281,710	402,372
Inv. inc., etc.	40,615	......
Net profit	322,325	402,372
Prev. bal.	1,307,957	905,585
Forward	1,630,282	1,307,957
Earn. on pfd.	$21.50	$26.82
Earn. on com.	79c	$2.01

* After provision for taxes. † After inclusion of sundry income and deduction of director's fees and executive salaries.

Working Capital Position

	1935	1934
	$	$
Curr. assets	3,348,500	3,248,149
Curr. liabs.	3,226,157	3,623,932
Work. capital	122,352	*375,783

* Excess of current liabilities over current assets.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share has been declared on the No Par Value Shares of this Company for the Quarter ending 31st October, 1935, payable 15th November, 1935, to Shareholders of record at the close of business on the 31st October, 1935.

By Order of the Board.

F. W. EVENS,
Secretary.

Montreal, Que.,
15th October, 1935.

Wheat at Winnipeg

Exports Decline Again
Improvement in Argentine

After earlier substantial world and Canadian wheat shipments, it was disappointing to find the trend of both lower last week. The market fell off when it was realized that British millers were apparently not keeping up their former scale of purchasing. Transatlantic interest in Canadian wheat is slow to be translated into action for increased buying, and the outcome of the Argentine crop is evidently the chief factor in the delay. After being extremely pessimistic about the outcome there, Liverpool begins to talk of possible Argentine production of 180 million bushels, due to heavy rains received over large areas during the past few days. Earlier predictions even went so far as to suggest no export at all.

Another bearish factor in the market has come from reports of satisfactory seeding of winter wheat in the United States. Recent precipitation has overcome earlier complaints of lack of sufficient moisture for seeding.

The course of prices at Winnipeg has been running closely parallel to that in the United States. Price movements on either side of the line are promptly reflected on the other. Prices at Minneapolis for hard spring wheat seem to follow the Winnipeg level, and to be maintained at a sufficient premium over prices for other wheat in the United States to allow a little, but not very much, Canadian wheat to be entered for export after paying 42 cents a bushel duty. On the other hand, movements frequently take place at Chicago which seem to be the direct cause of price movements at Winnipeg.

Exports Jump

LAST week saw the largest world shipments of wheat for the present season. Twelve million bushels were cleared from various countries, with Canada supplying one third. This is perhaps an indication that importing countries cannot continue to get along with the slow volume which has been in progress since the beginning of the crop year. But improvement in a single week is not enough basis for any definite statement. Should the higher rate be maintained for a few weeks it will create a much stronger feeling of confidence.

Canada's shipments at almost four million bushels, were the most satisfactory for the present season, but they will have to strike a considerably higher weekly rate if the ground lost in the early part of the season is to be regained.

Substantial bookings of cargo space at Montreal are reported but comparatively high freight rates out of Vancouver make it difficult for that port to do business.

Continued high shipments from Russia are somewhat disturbing, but overseas advices still reflect the opinion that the total from that country this year is not going to be very large.

* * *

Farmer Shipments

POSSIBLY 75 per cent of last week's wheat deliveries were sold to the Wheat Board by farmers. Although the highest grades have continued to be quoted on the Winnipeg market at above the Board minimum price, the margin in favor of the open market on lower grades has been extremely small, and sometimes non-existent. On most of the wheat in the Alberta area where freight rates to Vancouver are lower than to Fort William, farmers have been able to get more from the Wheat Board than the open market price, and on some grades that situation has prevailed at all stations. If the differential in favor of the open market is less than two cents a bushel there is a tendency for the bulk of deliveries to be sold to the Wheat Board, while every addition to that difference sends an increasing quantity of wheat to the open market.

Deliveries to the Wheat Board tend to delay the impact of wheat on the market, for while elevator companies hedge immediately the grain they buy, it may be some days before the Board is officially advised of wheat purchased for its account.

* * *

Little Speculation

SPECULATIVE interest in the market continues to be surprisingly small, in view of the great change that has taken place in the past few months. The principal source of buying is the export trade. The latter has lately been accumulating its supplies some time in advance of actual shipping needs although not at a rate that suggests any very great anxiety on the part of overseas buyers.

Next largest buying has been by United States mills, which continue to build up considerable supplies, although rather slow to pay the duty and move them home. A fair proportion of this wheat, it is believed, has been taken out of the Winnipeg market and hedges on it carried in Chicago. There is always the possibility, however, of it being resold here. Some volume of buying comes from purely trading interests in the United States direct to the Winnipeg market, but a larger volume comes in by way of spreading operations between Winnipeg and Chicago.

Key Facts About Wheat

	Week bu.	Prev. Week bu.	Same Wk. Prev. Year bu.
Canadian Wheat in Store:			
Terminal elevators (Oct. 11)	56,898,000	72,785,000	76,870,000
Country elevators (Oct. 11)	76,760,000	70,280,000	88,205,000
Total (all points), (Oct. 11)	133,658,000	143,065,000	165,075,000
World Shipm'ts. (incl. flour), (wk. Oct. 7)			
North American	3,910,000	3,619,000	4,616,000
Argentine	3,123,000	1,056,000	4,456,000
Australian	1,936,000	1,834,000	1,720,000
Others	3,040,000	1,616,000	1,416,000
Total (world)	12,009,000	8,125,000	12,208,000
Country Marketings and Exports:†			
Canadian exports (Oct. 4)	3,094,000	3,256,000	4,198,000
Cum. to Oct. 4 (9 weeks)	20,472,000	17,377,000	29,642,000
Country marketings (Sept. 27)	18,048,000	18,803,000	5,309,000
Cum. to Sept. 27 (8 weeks)	78,946,000	60,898,000	85,746,000
Country deliveries (Cum. Oct. 11)‡	119,987,000	104,155,000	109,861,000
Country loadings (Cum. Oct. 11)‡	85,086,000	73,816,000	76,911,000

†Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to Oct. 15, 1935

Crop year from Aug. 1, 1935 High	Low		Open Oct. 9	High for week	Low for week	Close Oct. 15
		Wheat				
.98½	.82⅝	Oct.	.92½	.93⅝	.90⅝	.91⅝
.98¼	.82⅝	Dec.	.92½	.93⅞	.91	.92
1.02¼	.85⅜	May	.95¾	.97⅝	.94¾	.97⅞
.98	.90⅝	Nov.	.93⅛	.94	.91⅛	.92
		Oats				
.35½	.30⅜	Oct.	.31½	.31⅝	.30⅜	.30⅞
.33⅛	.28½	Dec.	.29¼	.30	.28½	.30
.35⅝	.30⅞	May	.32⅛	.32⅝	.30⅞	.32⅝
		Barley				
.39⅛	.32⅛	Oct.	.35⅝	.35½	.34⅛	.34¼
.39½	.32¾	Dec.	.36⅜	.36⅝	.34⅝	.35¼
.42½	.36¾	May	.39⅜	.39⅝	.37⅝	.38⅛
		Flax				
1.49½	1.21¼	Oct.	1.40	1.41	1.39	1.46½
1.48⅜	1.19¾	Dec.	1.40	1.45⅜	1.39¼	1.45
1.54	1.33	May	1.45	1.50½	1.44¼	1.49½
1.46¼	1.39	Nov.	1.39¼	1.45¼	1.39¼	1.45½
		Rye				
.47½	.36¾	Oct.	.44½	.45¼	.42⅛	.43⅜
.49½	.38⅛	Dec.	.45¾	.46½	.43⅛	.44½
.51⅞	.44⅜	May	.49⅜	.50⅜	.47¼	.48⅛

Over $5 Millions Involved In Proposed Payment Plan For Wheat Pool Members

Basis of Arrangement Not Clearly Indicated at Present

PRICES WERE DOWN

Beneficiaries Are Pool Members Who Delivered Wheat For Sale During 1930-31

From Our Own Correspondent

WINNIPEG.—Announcements to date on the proposed payment to certain wheat pool members in connection with the wheat stabilization operations of the last five years, do not clearly reveal the exact nature or basis of the arrangement. The beneficiaries are wheat pool members who delivered wheat for sale during the crop year 1930-31, the last year in which the pool central selling agency, Canadian Co-operative Wheat Producers Ltd., received pool grain for sale.

76 Million Bus. on Hand

On May 31 last, according to evidence given before a Parliamentary Committee at Ottawa, that agency had on hand 76 million bus. of unsold pool grain, which had cost it, initial payments, accumulated operating and carrying costs included, about $1.05 cents per bus.

Initial payments had been progressively reduced from 70 to 50 cents from August to November, 1930, on a falling market. Now those who received less than the 60-cent basis, freight rates and grades being considered, are to get 5 or 10 cents a bushel. That would require something over $5 millions, of which about $150,000 would go to Manitoba and approximately $2.5 millions each to Alberta and Saskatchewan farmers. What additional payments increase the amount to $8 millions mentioned, has not been made clear. The benefitting farmers would constitute something under 20 per cent of the total number of western farmers.

Accumulated Cost

If the quantity of pool grain in question were still intact, its accumulated cost could hardly be less than $1.10 per bushel. If it were sold or turned over to the wheat board at current market prices there would be a net deficit of about $12 millions for which the Dominion government, because of bank guarantees, would be responsible.

In addition to hanging on to the grain in question, Canadian Co-operative Wheat Producers accumulated 160 million bus. additional at prices from 50 cents a bus. up, in operations authorized and guaranteed by the Dominion Government.

Such operations, considered alone, now show a paper profit, at current market values. That paper profit is being cashed, in the transfer of stabilization wheat from Mr. McFarland in his capacity as head of Canadian Co-operative Wheat Producers Ltd., to Mr. McFarland in his capacity as chairman of the wheat board, and in the transfer of the wheat from the supervision of wheat pool officials in their capacities as directors of Canadian Co-operative Wheat Producers, Ltd. to their supervision as members of an Advisory Committee to Mr. McFarland. At least $17 millions is being diverted to cover the losses on pool wheat, and to cover the additional payments just announced.

Under Wheat Bd. Act

Under the Wheat Board Act the wheat board was authorized to take over government guaranteed wheat holdings from Canadian Co-operative Wheat Producers Ltd., on a basis to be approved by Order-in-Council. The basis has not yet been made public. It might conceivably be on cost, after first allowing the pool to increase its costs by the payment in question. It might be a market price which by coincidence happened to provide the even amount allotted for distribution. Or it might be at a market price, because there have been some fairly large fluctuations, which would leave an additional and as yet unappropriated profit in pool hands.

Difficulty Foreseen Over Pool Payments

From Our Own Correspondent

WINNIPEG. — Difficulty is foreseen between the new government and the wheat board over the payment of $8 millions to wheat pool farmers, as was announced just before election. Although it was announced that the board was going to pay a sufficient sum to the wheat pool in connection with the McFarland stabilization accumulation of wheat to make this payment, it is not believed that the wheat board has yet borrowed the required money from the banks. Actually only a small part of the stabilization wheat has been sold. Under existing circumstances it is thought that the board will not be willing to make the payment referred to, nor the banks be willing to lend money to make it, and that the whole matter will have to be reviewed by the new government.

AUTUMN CROPS ADD MILLIONS FARM INCOME

After several years of bounteous potato yields, it now begins to look as if the cycle has been broken. The first official estimate by the Dominion Bureau of Statistics places the total Canadian potato crop this year at slightly over 38 million cwt. which is down about 20 per cent from a year ago and about 15 per cent below the average in recent years.

Only in the Prairie Provinces is the yield this year higher than in 1934 when drought seriously affected the yield there. The sharply lower total crop this year is blamed on a 10 per cent reduction in the acreage and the same reduction in yield per acre.

Worth More

From a dollar and cents point of view this reduction in the potato yield will have very little effect on farmers' revenue, because in the last few years of heavy crops prices were so low that actual cash received was probably lower than that which will be realized from the higher priced smaller crop being harvested this fall.

The potato is the most broadly distributed cash crop in Canada, local production and sales being made in every province. Practically the whole of the crop goes into human consumption.

Other late cash crops of a more local nature are tobacco and beans largely grown in Western Ontario and sugar beets, grown in the same section and also in the irrigated districts of southern Alberta.

Tobacco, Beans, Sugar Beets

One of the best and highest quality tobacco crops is now being harvested. Prices have not been firmly established yet but the crop of nearly 29 million pounds, in comparison with 22 million a year ago, is expected to bring somewhere around $8 million into growers' hands

Bean acreage jumped about 15 per cent to over 58,000 this year and the crop is reported of excellent quality. As threshing is not completed details of yields are not available. Provided present prices hold the crop is expected to be worth about a million dollars to the growers of western Ontario.

Sugar beets are reported to be an above-the-average crop in both Ontario and Alberta. As a result, it will add between one and two million dollars to farm purchasing power in the growing districts.

Cheaper Feed

Other late crops with the exception of turnips which are down slightly from a year ago are considerably better than in 1934. Corn, sugar beets and alfalfa run from 10 to 20 per cent higher than the 1934 yields.

The larger yields of late fodder crops such as corn, roots and alfalfa, will mainly go into winter feed for dairy and beef stock which will eventually be sold in the form of milk, butter, or beef later on in the season. Naturally abundance of this cheap home produced feed will be reflected in lower costs of production for the products mentioned this winter.

Wheat Prices

(Cash Quotations)

	Aver. for week Oct. 4	Previous week
	$	$
At Winnipeg		
No. 1 Man. Hard	0.940	0.915
No. 1 Northern	0.943	0.911
No. 2 Northern	0.913	0.880
No. 3 Northern	0.867	0.834
No. 4 Northern	0.820	0.799
No. 5 Wheat	0.729	0.715
No. 6 Wheat	0.658	0.640
Feed Wheat	0.523	0.500
At Vancouver:		
No. 1 Northern	0.916	0.886
At Toronto:		
Milling Wheat*	0.78	0.78

Competitive Export Prices:
(September) shipment:

	High Week to Oct. 11 $	Low $
No. 1 North. (Vanc.)	1.12⅜	1.09⅛
No. 2 North. (Atlan.)	1.08⅞	1.04½
No. 2 North. (Vanc.)	1.09¼	1.03¼
Argentine Rosafe	0.98¼	0.93¾
Do., Barusso	0.96¾	0.90⅛
West Australian	0.95⅝	0.96
French	unquoted	
Russian	0.96¼	0.93¾

*New crop.

See Wheat Board Changes Following Bennett Defeat

From Our Own Correspondent

WINNIPEG. — Election day was preceded by about a week of weak markets, followed immediately by some advance. With Canadian prices now closely in line in Liverpool with those of the Argentine, however, the trend is not regarded with any special significance.

The general expectation is that Mr. McFarland will not remain at the head of the wheat board. His resignation, and that of some of his colleagues, it is believed, will be placed in the hands of the new government as soon as Mr. King assumes office. That impression is based on the close personal relations known to have existed between the head of the wheat board and Mr. Bennett, and the criticism voiced under Mr. McFarland's direction. Under the Wheat Board Act, the authority of the chairman is much more restricted than was the authority Mr. McFarland enjoyed while the government was guaranteeing the stabilization operations he conducted as manager of the Pool central selling agency, and a very direct responsibility is laid on the Minister of Trade and Commerce with respect to supervision of the board's operations. That fact would create a difficult situation between a government and a board which did not command its confidence.

Occupied Land Increase

During the years 1901 to 1931 the area of occupied farm land in the Prairie Provinces increased from 15 million acres to 110 million acres, or more than sevenfold, says a Dominion Government report. In 1901 the Prairie Provinces contained 24.3 per cent of the total occupied farm acreage in the Dominion and by 1931 this acreage had increased to 67.3 per cent of the total. In the same period the improved farm acreage increased from 18.5 per cent to 69.8 per cent and the field crop acreage from 18.2 per cent to 69.1 per cent. Of the improved land in the Prairie Provinces in 1931, 67 per cent was in field crops.

Quebec to Have Old Age Pension In Near Future

Irrespective of the plans of the federal government, Quebec will have old age pensions on the same basis as other provinces, stated Premier Taschereau recently. If the government in power at Ottawa does not pay the entire cost, the province will pay the difference, he said.

At present, Quebec and New Brunswick are the only Canadian provinces which have no provision for old age pensions. British Columbia adopted a plan in 1927. Manitoba and Saskatchewan followed suit in 1928 and Ontario, Alberta and the North West Territories in 1929. Prince Edward Island passed its act in 1933, and Nova Scotia introduced its scheme only last year.

P. E. I. Oyster Farming

Prince Edward Island's "fastest growing industry" — oyster farming — will likely show a production value of $75,000 to the fisherfolk this year. Only 12 of the Island Government's carefully protected leased farm areas will be raked this season.

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News of Canadian Mining Investments

The Week in Mining

An Important Decision

THE member of the British House of Commons who some months ago gained some prominence by demanding that Canada be "forced" to curb exports of nickel to belligerent nations, has been fully answered by the sanctions sub-committee of the League of Nations, which found recently that the Dominion could not, if it would, stop the flow of this commodity to these nations.

The findings of the sub-committee are of interest to Canadian peace workers as well as to Canadian mining men. With regularity, the suggestion that the cause of peace could be furthered by banning export of nickel has been advanced, and with equal regularity has been advocated by a few uninformed journals.

As pointed out by The Post during the last nickel-ban epidemic, a large part of the marketing control of nickel, almost exclusively a Canadian product lies in United States. Nickel export then is not controlled by Canada at all, and is only partially controlled by the League.

In the American Neutrality Act, the export to belligerent nations of a specified list of war munitions is prohibited. No mention is made, however, of the export of raw materials essential to the manufacture of munitions, such as cotton, copper and nickel. By a subsequent proclamation, however, President Roosevelt warned United States exporters against doing business with warring nations, and withdrew U.S. protection from such deals. It is not expected that this hint will have a very striking effect on curbing the export of such commodities from United States.

• • •

Should End Theory

LEAGUE authorities pointed out that there is scarcely any direct trade in nickel, raw or finished, between Canada and Italy, and that exports to European countries reach their destination through United States or Britain, where International Nickel Co. maintains plants. Canada, they said was impotent in this regard.

Seeking with apparent sincerity to enforce economic sanctions on Italy, the League would hardly have come to this very definite decision unless it were inherent in the facts. The decision should end, once and for all, the theory that Canadian nickel producers are, in some underhand way, supplying munitions to warring nations.

• • •

Taxes Again

IN THE course of an interesting analysis of Canada's gold production appearing in the October Bulletin of the Canadian Institute of Mining and Metallurgy, G. C. Bateman, secretary-treasurer of the Ontario Mining Association, makes brief but pointed reference to the tax situation. Mr. Bateman notes that the direct taxes on the gold mines have increased by almost four times within three years. The impost in Ontario now amounts to $1.34 per ton of ore and is equivalent to $3.56 per ounce of gold of produced or 10 per cent of its gross value.

These figures give some points to the widespread belief of mining men that taxes are approaching the level at which a grave danger exists of "killing the goose that lays the golden egg."

• • •

Firm and Dull

FIRMNESS to the point of dullness prevailed over the mining market during the past week. Some increase in activity, resulting in generally higher price levels broke the monotony after the election became a thing of the past.

During the latter part of the week under review, the slight tendency toward softness in the leading issues was overcome, and the period closed on slightly higher levels for these stocks. The junior issues, and penny stocks generally ended the week at slightly lower levels.

Golds and base metals improved under a light turnover, but the market, on the whole, was featureless and lacked the stimulus of any outstanding news.

Among the senior golds, McIntyre and Dome showed some tendency to fall off, but accumulation had a mildly bullish effect on the other seniors.

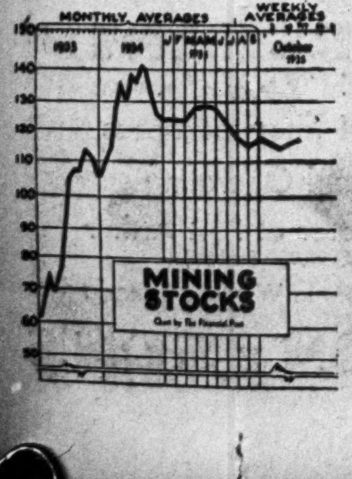
The base metals, led by Noranda, rose a few points during the week, as news of European troubles failed to contain any tangible hint of peace.

• • •

Index to Mining Stocks

GAINS in prices of base metals issues overbalanced losses for gold stocks, and as a result the general index of mining stocks showed a slight advance from 116.0 for the week of October 3 to 116.3 for the week of October 10. For the corresponding week in 1934, this index was 137.0.

A downward movement was maintained by the gold group, the index being 102.6 for the week of October 10 as compared with 104.1 for the preceding week. For the week ending October 11 last year the index registered was 136.2.



SMELTERS SEEK POWER DETAILS FOR AFTON MINE

Reports Formal Application Made Said Premature

HINT AT MILL?

Believe Ore Picture Being Rounded Out Prior to Production

From Our Own Correspondent

SUDBURY. — Reports from Toronto at last week-end to the effect that formal application had been made to the Ontario Hydro-Electric Power Commission by Consolidated Mining and Smelting Co., for 2,000 horsepower for the Afton mine, northeast of Sudbury, are premature, it is understood, as up to date negotiations have gone no farther than the enquiry stage.

The Afton, now known as the New Golden Rose, is located in the Emerald Lake district, Temagami area, and has been under exploration by Consolidated Smelters for some months on an option agreement. Diamond drilling resulted in disclosure of encouraging values, and the programme was followed by an underground campaign. A short time ago there was some unofficial talk of a 500-ton milling unit, but it is believed Smelters will want to secure a better picture of the ore chances before determining upon a production programme.

Power From Abitibi

It is natural that investigation of the power situation would precede any milling plans, and the company in securing information is anticipating its probable future needs. It is likely that the power supply, when required, would be delivered from an extension of the Abitibi Canyon line which is to give service to Falconbridge Nickel Mines.

Diamond drilling conducted by Smelters revealed two zones with an indicated minimum length of 1,500 ft., and assays revealed gold values of good commercial grade. According to a report issued a short time ago by Afton Mines, the north zone appeared persistent along the length diamond drilled with a width of from 12 to 25 ft., and with an anticipated average of from 150 to 20 ft. The south zone indicated for a similar length may average 10 to 12 ft. or better.

Purchase Plane

Following completion of the diamond drilling programme camps and equipment were rehabilitated and the shaft was deepened, two new levels being established at depths of 275 ft. and 400 ft. Crosscutting south to the ore began, and a main drift has been run in the porphyry just north of the ore zone on both levels. Crosscuts from these drifts have been run south at intervals to test ore conditions, and some lateral diamond drilling underground carried out.

A few days ago Smelters brought to Sudbury a twin engine de Havilland Dragon airplane, an identical model of the machine used by Capt. James and Amy Mollison in their attempt to fly the Atlantic from Wasaga Beach in 1933. The machine, while designed for general use by Smelters, will be largely used to fly men and supplies into the Afton Mine from Sudbury.

Mining Reports

Reno Gold Mines

Despite the fact that taxes, including provincial mineral tax, and provincial and federal income tax, rose from a total of $13,049 in the fiscal year 1934, to $61,241 in 1935, Reno Gold Mines, Nelson, B.C., producer, shows in its annual report for the year ended June 30, 1935, earnings per share of $0.13 as compared with per share earnings of $0.02 in the previous year.

Increased milling capacity has not interfered with the blocking out of ore reserves, which, as at June 30, 1935, showed an increase of about 50 per cent, to 61,903 tons of blocked-out and reasonably probable ore. Estimated average grade of these reserves is 0.624 ounces gold to the ton. As at June 30, 1934, these reserves stood at 43,958 tons.

During the 12-month period reviewed, 33,943 tons of ore were milled, with recovery per ton averaging out to 0.625 ounces.

In his report, W. R. Lindsay, manager, points out that provision for the use of West Kootenay Power was made in the fall of 1934, so that now this source of power is available in addition to Reno power.

The balance sheet as at June 30, shows current assets totalling $229,709 and current liabilities of $176,598. Current assets include cash in the bank of $153,647. Current liabilities include reserve for Dominion and provincial taxes of $57,676, and dividends payable of $91,315. This latter item was in connection with the dividend and bonus paid July 2 of this year.

Investments, comprising 18,250 shares of Gold Belt Mining Co., with a market value as at June 30 of $4,198, are shown in the balance sheet at $51.

Profit and Loss Account
Years Ended June 30

	1934	1935
	$	$
Bullion prod.	229,889	363,624
Concentrate prod.	29,131	60,894
Prem. on gold	160,352	275,991
Total value	419,372	700,509
Less: Mining	171,832	187,876
Ore transp.	13,691	25,426
Milling exp.	56,931	99,691
Marketing	8,542	16,096
Adminis. exp.	30,015	8,506
Oper. earnings	138,361	362,914
Add: Misc. income	2,834	1,213
Net earnings	141,195	364,127
Less: Depr. res.	35,220	38,018
Depl. reserve	40,194	30,276
Prov. min. tax	5,943	10,786
Prov. & Fed. inc. tax	7,106	50,455
Net profit	52,732	234,592
Earnings per Share and Div. Record:		
Com.: Earned	$0.029	$0.13
Paid	.....	0.11
Shares Outstanding as at June 30:		
Com., par $1	1,826,306	1,826,306

Do Golds Stand the Test?

British "Yardstick" on Canadian Stocks Bring Forth Interesting Results — Yields and Life Expectancy Analyzed

By WILFRID SANDERS

If mining stocks could be examined at close range, classified, and priced, like beans, the Canadian mining industry would have about the same virility, personality, and general appeal, as has the bean industry.

Fortunately, or unfortunately, as you wish, there is a great deal more in buying mining stocks than there is in buying beans. Today, wiht so many national and international economic forces affecting mining stocks, the difference becomes even more apparent.

There is, of course, no ready-made yardstick to aid the investor. But it is not all a complete chaos. There are definite rules of thumb which can be applied.

In long years of investing experience, the Briton has earned for himself a reputation for shrewdness in such matters. It is not the sly shrewdness of the old time horse-trader, but rather a mixture of stubborn logic and an inordinate capacity for reaping from experience.

If anyone then, has such rules of thumb, it is the English capitalist, big and small. And English capital is, and has been for years, intensely interested in South African gold stocks.

Rand Stocks

By analyzing South African golds, and what they have to offer, some idea of what these English rules of thumb are, may be had. Then, by attempting to apply these same rules to Canadian gold stocks, one should get some interesting results.

In the table below, eleven representative Rand gold stocks have been taken, and analyzed. For much of the information in the table, The Financial Post is indebted to The Mining World and Engineering Record, of London. The prices taken are as of Aug. 26 last, the last date for which complete data are available. For the sake of comparison the same date has been taken for Canadian stocks.

The first thing about the Rand data which will strike the Canadian bred mining investor is the second from the last column, in which a convenient and well-authenticated estimate of the life of the mine is made.

Here, of course, lies the big difference between Canadian and Rand mines, a difference which makes application of the British "investment yardsticks" difficult, but no impossible.

The column in the tables below in which every investor, English or Canadian, is primarily interested, is, of course, the column dealing with what he is getting in cold cash for his money; that is, the approximate yield. Here, the difference is striking.

Difference in Yields

In estimating the average yield of the Witwatersrand mines shown, it is only equitable to exclude the Modderfontein Deep, which company, because of its limited estimated life is yielding the unusually high figure of 58 per cent. Taking the remaining ten companies, then, one finds that the average yield on these typical South African stocks is 7.8 per cent.

The average yield on the eleven Canadian gold stocks on the same day was 8.4 per cent.

The fact that for years it has been conceded that yields on South African gold stocks were higher than on Canadian golds, makes the above figure even more interesting. The change in relationship is due to the tax burden in South Africa, which is higher even than the tax on Canadian mines.

Some years ago, when money had a higher earning power than it has today, a titled Englishman who was a heavy investor in South African golds told a member of The Financial Post staff that he would not purchase a mining stock unless it were yielding 15 per cent. Of this, he considered nine per cent as a return of his capital invested, and the remaining six per cent legitimate profit. At nine per cent he would therefore have his investment returned to him in less than ten years. This was before the deep developments on the Rand resulted in prolonging the estimated life of Rand companies by many years. Ten years was at that time a fair estimate of the life of a mine in that part of the world. Since Rand engineers discovered that the ore persisted to depths formerly undreamed of, and since gold rose 70 per cent in price, this ten year estimate has, as a glance at the table below will show, been greatly extended. Today, this Englishman is probably content with a much lower yield, and satisfied to get his capital returned in 20 years, or more.

Life Lengthens

The same condition applies in Canada. Investors who during times of high interest rates would scoff at profit on their money of three and four per cent, today would welcome such returns. As regards gold stocks, the life of Canadian mines has been lengthened by many years as the result of the higher price of gold. Thus vast tonnages of low grade material formerly waste are now commercial assets. Accordingly, while a large part of mining dividends must be considered as a return on capital, since mines are a wasting asset, the investor should be content to spread that return over a longer period.

It is on this question of life-span that Canadian mines are at an immense disadvantage in such comparisons. It is well known that the veins of the pre-cambrian shield, as known in Canada, are highly irregular, and preclude any long term estimate. On the Rand, where the gold occurs in more or less regular reefs, it is much easier to estimate the potential life of any mine.

As a result, few of Canada's big operators have ore reserves sufficient to last the mill more than two, three or, at the most, four years. Hollinger Consolidated, mammoth Porcupine producer, which has paid out more than $80 millions in dividends, has, today, ore reserves sufficient to last the mill little more than three years. Yet it is generally conceded that Hollinger has at least twenty years of profitable existence ahead of it, on the parent property alone.

Taking this 20-year figure (and it is, of course, only a very rough estimate) it would be necessary, in order merely to get one's money back, to obtain a yield of five per cent. But, as shown in the tables below, the yield on Hollinger is around 7.8 per cent leaving 2.8 per cent for profit on the money invested.

This five per cent figure makes no allowance for re-investment or amortization, but higher mathematics must give way to clarity in such comparisons.

But this is only part of the story. Hollinger has, in addition to the original property at Timmins, substantial interests in other companies, one of which, Young Davidson Mines, is a healthy young producer. Through its subsidiary, International Bond and Share Corp., Hollinger has, in addition, substantial interest in other investments, which, as at May 15, 1935, has shown a net asset value of well over $3.5 millions. Finally, Hollinger has several prospects under its wing, which will, if brought to production, prolong the life of the company. The same thing is true of most of Canada's big producers.

Thus, even the rough 20-year estimate for the Timmins property becomes immaterial, when viewed against this background.

Speculative "Investors"

There is another important difference which crops up when comparing the market position of South African and Canadian Mines. In Canada, there are a large number of persons in the market who are not interested in yields, and return of their capital. They buy some stock at say, $2 today, in the expectation of it rising tomorrow when they will sell. The Johannesburg market and the London market is freer of this speculative element than are the Canadian markets. Here speculators exert a profound effect on the fluctuations of stocks, and, accordingly, on the estimated yield.

All this can bring forth but one main conclusion; that it is an extremely difficult matter to bring English standards to bear on Canadian gold stocks. The results of a comparison of South African and Canadian gold stocks are not all negative, however. Assuming (and it is a fair enough assumption) that the big Canadian gold producers may, on the whole, equal the average life span of the Rand mines, the present yield on Canadian gold stocks compares very favorably with the yield on South African golds. That the element of speculation is stronger is admitted, but it is an element that is, partly, at least, taken care of by currently higher yields.

Rand and Canadian Golds Compared

WITWATERSRAND MINES

Company	Shs. issued £	Par	Dividends % 1933	1934	1935†	Price Aug. 26	App. Yield %	Est. life years	Ore Res. tons
Brakpan	1,150,000	5s	47½	52½	22½	$10.	6¼	30	4,879,870
Crown Mnes	943,062	10s	142½	170	80	66.	6½	40	21,342,390
Geduld prop.	1,460,857	£1	56¼	67½	33¾	49.	7	20	9,000,000
Gov't. Gold	1,400,000	5s	120	125	60	18.	9	20	11,782,000
Langlaate Est.	1,519,833	£1	20	22½	10	7.75	14½	8	1,383,000
Modder. Deep	500,000	5s	120	120	50	2.27	58	2	900,000
New State Area.	1,514,037	£1	25	27½	12½	18.	8	20	4,212,000
Rand. Est.	4,063,553	£1	10	13¾	10	12.50	7½	40	13,007,000
*Robinson Deep.	686,156	7/6	43	53	17	10.70	7½	30	5,846,000
Springs	1,560,000	5s	48¾	52¾	23¾	10.	5¾	25	10,007,871
Sub-Nigel	843,750	10s	105	155	80	61.	6½	50	1,797,000

* B shares.
† To end of July.

CANADIAN MINES

Company	Shs. issued	Par	Dividends 1933	1934	1935 (est.)	Price Aug. 26	App. Yield %	Ore Res.*
Bralorne	1,000,000	n.p.v.	nil	$0.42½	$0.30	$4.85	8.7	$3,675,000
Buff. Anker.	577,397	$1	0.08	0.16	0.20	2.50	8.	8,298,772
Dome	1,000,000	n.p.v.	1.80	3.50	4.00	38.75	10.3	28,200,000
Hollinger	4,920,000	$5	0.85	1.40	1.00	12.65	7.8	87,356,025
Howey	5,000,000	1	nil	0.10	0.06	.70	8.5	7,564,355
Kirk. Lake	5,239,123	1	nil	0.03	0.03	.35	8.5	not avail.
Lake Shore	2,000,000	1	3.00	3.50	4.00	48.65	8.2	6,567,900
Macassa	2,628,068	1	nil	0.05	0.15	1.66	9.0	1,141,041
McIntyre	798,000	5	1.87½	2.00	2.00	36.75	5.4	38,786,870
Pioneer	1,751,750	1	0.42	0.65	0.80	9.40	8.4	7,531,300
Teck Hughes	4,807,144	1	0.60	0.55	0.40	4.05	9.8	9,801,965

*Gold at $35 per ounce.

Bralorne—Reserves may show higher grade, due to erratic richness of deposits.

Buffalo Ankerite—Reserves include broken, blocked out, probable and possible ore.

Dome—Dividend 1935 based on statement at annual meeting in April to effect $4 to be paid in 1935.

Kirkland Lake—No ore estimate made, due to conditions at depths, which prohibit such an estimate.

Lake Shore—Broken ore only.

Macassa—Positive ore only.

McIntyre Porcupine—Company's dividend policy aimed at redemption of shares when mine worked out.

Pioneer Mines—Positive ore only.

Teck-Hughes—Earnings from parent property decreasing.

Current Chatter from B. C.

From Our Own Correspondent

VANCOUVER.—Kamloops Homestake, controlled by the Taylor Bridge River Mines, expected to get its new mill into production this week with a rated capacity of 50 tons. At comparatively small cost the capacity can be stepped up to 125 tons.

• • •

Island Mountain Output

Since the beginning of operations in November, 1934 close to $500,000 has been produced by Island Mountain mines, controlled by Newmont Mining Co. in the Barkerville district. During the three months ending September 30 production was rated at $168,000. By the end of the year the company will have cleared up all indebtedness, it is believed. The mill has been handling a daily load of approximately 70 tons.

Central Manitoba

Net operating loss of $84,638 for the 16-month period ending Aug. 30 is shown in the annual report of Central Manitoba Mines. In addition, J. C. Houston, mine superintendent, points out that while the mine is not faced with an imminent shut-down, ore bodies have not been found or even indicated of a sufficient size to guarantee operations beyond a period of three to four months. Exploration and development is continuing, however.

A by-law, changing the fiscal year from the year ending April 30 to the year ending Aug. 31 will be submitted at the annual meeting.

In his report William Hurst, president, recalled that during the year the property had been examined by Prof. Stanley N. Graham, of Queen's. Mr. Graham had found that practically all possibilities of finding ore at depth on the property had been explored. He recommended, however, that exploration of certain branch veins be continued and that two deep diamond drill holes be sunk in the central section of the property. The drilling revealed no commercial ore, Mr. Hurst reports, and work is continuing on the development of the veins.

The balance sheet as at Aug. 31, 1935, shows current assets to total $178,331 as compared with $141,072 as at June 30, 1934, while current liabilities amounted to $33,805 as against $33,061 as at June 30, 1934.

Regarding the settlement of this lawsuit the auditors' report stated that the company agreed to return these shares to the vendors for a consideration of $23,500, payable as set forth in an agreement dated July 13, 1934, security being provided by the deposit by the defendants of 300,000 shares of Central Manitoba Mines, Ltd. The company received $5,793 in cash, including $793 realized from the sale of 9,800 shares, and, in lieu of further cash payments, received also 290,200 shares of Central Manitoba Mines, Ltd. stock in final settlement, the shares being registered in the name of and held by The Royal Trust Co., trustee.

Income and Surplus Account

	16 months ended Aug. 30 1935	Year ended Apr. 30 1934
	$	$
Bullion rev.	519,252	393,876
Less oper. exp.:		
Devel. & min. exp.	320,541	291,370
Mill oper.	132,909	107,896
Bullion exp.	9,060	3,733
Ins.	7,325	6,688
Admin. & gen. exps.	23,749	31,322
Dirs.' fees	950	......
Island Lake inspection	......	800
Operating profit	24,718	†47,991
Non-oper. rev.:		
Interest	6,167	4,348
Adjustments	......	14
Profit on sale of D. of C. bonds	385	....
Sundry revenue	18,629	20,030
Less: Organ. exp. w/o.	21,298	....
Depreciation reserve	57,171	42,164
Prelim. devel. costs w/o	56,068	....
Net loss	84,638	65,763
Add: Previous deficit	438,231	372,468
Amt. w/o acct. re Manitoba Gold Mine stk.	6,500	....
Legal fees re above	3,620	....
Proportion prelim. costs‡	259,584	....
Proportion org. exps.•	95,842	....
Deficit to bal. sheet	888,415	438,231

* Including in 1935 premium on bullion sold of $209,201, and in 1934 readjustment with Royal Mint of $141,742.
† Loss.
‡ Applicable to period from April 30, 1928, to April 30, 1934, at rate of $1 per ton of ore milled.
• Incurred prior to Oct. 31, 1927, written off at rate of 10 per cent per annum for the six years ended April 30, 1934.

Bongard & Co. Issues Hollinger Analysis

While the parent property of Hollinger Consolidated Gold Mines at Timmins, Ontario, will continue for many years to come, as the chief source of further dividends, outside mining interests are becoming an increasing factor in the outlook for this company, Bongard & Co., Canadian bond and security dealers conclude in a comprehensive survey on Hollinger being distributed to clients.

The survey reviews the present position of Hollinger's original property, and the company's policy in this regard. In addition, Hollinger's interest in International Bond and Share Corp., in Hislop twp. and in the Young Davidson development

Bulolo Gold Output Greater Than Year Ago

From Our Own Correspondent

MONTREAL.—Bulolo Gold Dredging reports gold production for September of 11,292 fine ounces, which compares with 11,832 ounces in August and 10,983 ounces in September, 1934.

Estimated net working profit in September is shown at 8,308 fine ounces, which is equivalent to $290,780, with gold calculated at $35 an ounce, Canadian funds. In August, net working profit was estimated at $308,910, and in September a year ago, at $272,090.

Four dredges were in operation last September and handled 931,000 cubic yards, which compares with 961,000 cubic yards in the previous month.

McKen. Red Lake Shows Up Well In Routine Run

First official indication of what may be expected from McKenzie Red Lake, new Red Lake producer, is contained in the production figures for the three-month period ended Sept. 30, in which period the mill settled down to routine production.

Analyzing the brief official report, it is found that the mill treated an average of about 121 tons per day, each ton averaging .46 ounces of gold. The total value, in Canadian funds, of the bullion produced in this three-month period was $190,209.

Although no figures as to operating costs are contained in the three-month statement, it is generally understood that costs are in the neighborhood of $6 per ton. Since average recovery, as shown, amounts to .46 ounces, or about $16.37 per ton, this would give an average operating profit of over $10 per ton of ore milled.

A notable achievement at this property is the percentage extraction, which almost from the first, showed a surprising freedom of the troubles which usually reduce the extraction of new companies. Extraction at McKenzie Red Lake now amounts to about 98.3 per cent.

Referring to development work, W. G. Armstrong, president af the company states that the shaft has been deepened to the 450-ft. level, which was formerly served by a winze from the level above. New ore has been opened up on the three levels down to the 350-ft. The total length of new ore is more than 400 ft. and reserves, which at Dec. 31, 1934, stood at 97,900 tons with an average grade of .437 ounces, have been more than maintained.

Perron Production $12,160 in September

September production from the 25-ton test mill on the Perron Gold Mine property in Northwestern Quebec amounted to $12,160. Of this $11,005 was actually extracted during the month, the remaining $1,155 being tied up in untreated concentrate.

It is hoped that the new 100-ton mill will be in operation on January 1, 1936.

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Sorting the Mines, 6

An Impartial Analysis of Listed Stocks from A to Z

This is the sixth in a series of articles attempting to examine, at close range, the various stocks, listed day by day, on the mining sections of various Canadian exchanges.

These little close-ups do not pretend to be exhaustive analyses of the companies dealt with. They are aimed, however, at giving Post readers a rapid fire inventory of the market today. Each stock will be dealt with in alphabetical order at the rate of three or four a week as space permits.

Bobjo Mines

Bobjo Mines is a well-directed exploration and holding company with its principal interest in San Antonio Gold Mines, God's Lake Gold Mines and Knee Lake Gold Mines.

Organized in 1928 to develop a property in Patricia district, Ontario, which did not respond to development and was abandoned in October, 1929, the company has since that time examined and carried on development work on a large number of prospects in mining areas in various parts of Canada.

The most outstanding success achieved by the company has been its association with the early financing of San Antonio Gold Mines and God's Lake Gold Mines, the two most important gold properties in Manitoba. In March 1930 it purchased 600,000 shares of San Antonio Mines at 15 cents per share. San Antonio was reorganized in 1931 and Bobjo received 200,000 shares in the new company San Antonio Gold Mines. In 1933, 100,000 of these shares were sold at a substantiaal profit.

In July, 1932, Robert J. Jowsey, the company's president, made the original discovery in the God's Lake area of Manitoba. This discovery subsequently became part of the property of God's Lake Gold Mines which was brought into production last month. For its portion of the property Bobjo received 309,375 shares in God's Lake Gold Mines. As at Dec. 31 last the company still held 250,000 of these shares and early in 1935 purchased an additional 41,666 shares under rights issued to shareholders.

Its investments in God's Lake and San Antonio shares are the most valuable holdings of the company. At current market prices these shares have a value of nearly $700,000.

Operations of the company in 1934 were rather disappointing. After making considerable expenditure in development of the properties of Manitoba and Eastern Mines in the Temagami area of Ontario, Atlin Pacific Mining Co. and Atlin Ruffner Mines in the Atlin district of British Columbia Bobjo dropped its option on shares of all three of these companies.

At the present time the company is concentrating its efforts on the development of the Knee Lake Gold Mines in Manitoba, about 40 miles northwest of God's Lake. Bobjo has an option to purchase control of this company. Development on the Knee Lake property to date has been encouraging.

In the balance sheet as at Dec. 31 last investments were carried at a cost of $777,158 after deduction of a reserve of $158,182. Shareholdings as at that date were as follows:

	Shares
Atlin Pacific Mining Co.	222,500
Atlin-Ruffner Mines	2,298,310
B. C. Explorers	500
East Rouyn Gold Mines	100,000
Erie Gas Co.	10,000
Forty-Four Mines	6,000
God's Lake Gold Mines	250,000
Karl Springer Exploration Co.	500
Knee Lake Gold Mines	49,993
Manitoba & Eastern Mines	880,000
Mosher Long Lac Mines	10,000
Noranda Mines	500
San Antonio Gold Mines	100,000
Young Shannon Gold Mines	20,000

As regards earnings the company has not had a very happy past. In only one year has a profit been shown, that being in the 12 months ended March 31, 1934, when a net profit of $1,794 was earned. In the nine months ended Dec. 31, 1934, operations resulted in a deficit of $20,942.

Future earnings are dependent upon a substantial return from its investment in San Antonio Gold Mines and God's Lake Gold Mines or upon the successful development to production of Knee Lake Gold Mines and Jowsey Denton Gold Mines. The latter company was formed early in 1935 to develop a property in the Porcupine area of Ontario in which Bobjo had a third interest.

Working capital as at Dec. 31 last amounted to $168,707, current assets totalling $171,716 and current liabilities $3,009.

Price Range of Stock

	High	Low	Last
	1934		
Common	$0.38	$0.30	$0.35
	1935		
Common	$0.38 Jan.	$0.18 July	$0.20 Oct. 7

Big Missouri Mines

Big Missouri Mines Corporation is a holding company with principal interest in Buena Vista Mining Co., which is being financed by Consolidated Mining and Smelting Co. of Canada. Other associated companies are Missouri Monarch Consolidated Mines and Brooklyn Consolidated Mining Co.

Interest in the company at the present time centres in its 40 per cent share interest in the Buena Vista Mining Co., which is developing Big Missouri mine in the Portland Canal mining division of British Columbia under the capable management of Consolidated Smelters.

The Big Missouri property is one of those numerous properties whose chances of success have been materially improved by the rise in the price of gold during recent years. Since Consolidated Smelters became interested in the property a comprehensive plan of development has been carried out and at the present time the property shows promise of becoming one of the largest gold mining operations in British Columbia.

The property is being developed by two tunnels. Results have been very encouraging in both tunnels and it is unofficially stated that a mill has been decided upon. Development and diamond drilling is being continued in order to get additional information with regard to the limits of the large ore body encountered by both tunnels. This will enable the company to determine what size a mill is to be built. It is expected that the mill will be of 1,500 ton daily capacity.

Development on the Missouri-Monarch Consolidated Mines property, while less advanced, has been encouraging. This company owns the Monarch Bronco and Black Forest properties, former lead-silver producers in the Spruce Mountain mining district, Elko county, Nevada. Development work is proceeding and it is expected that the company will soon be in a position to ship ore to a smelter. Big Missouri Mines Corp. owns 1,200,000 shares of Missouri Monarch stock and $10,000 in notes of the Black Forest Mining Co. This company's property was merged with Missouri Monarch in 1929. Advances to Missouri Monarch total $92,538.

The only other investment held by Big Missouri is 140,000 shares in Brooklyn Consolidated Mining Co. which owns an inactive lead-silver-copper property in Granite county, Nevada. There was a large tonnage of lead-silver-copper ore blocked out when development was suspended.

Of an authorized capitalization of 5,000,000 shares, par $1 each, Big Missouri Mines Corp. had 3,314,367 shares outstanding. The balance of the unissued shares are under option until Dec. 31, 1936, at 50 cents per share. Quebec Gold Mining Corp. has a large interest in Big Missouri.

Price Range of Stock

	High	Low	Last
	1934		
Common	$0.51	$0.26½	$0.35
	1935		
Common	$0.75 May	$0.30 Feb.	$0.45 Oct. 8

Beattie Gold Mines

Although its annual production in point of value is less than $2 million, Beattie Gold Mines, with a daily milling capacity of 1,400 tons and ore reserves in excess of four million tons, must, of necessity, be included among the large gold mining operations in Canada.

A low grade producer located in Duparquet township, Quebec, 20 miles northwest of the town of Noranda, Beattie Gold Mines is one of the many companies for which the enhanced value of gold has made profitable operations possible. On the basis of production in the year ended Dec. 31 last operations would have shown a substantial deficit if the price of gold had remained at the old statutory level of $20.67 per ounce. Average recovery per ton of ore milled was equivalent to $3.04 gold taken at $20.67, or $5.08 gold taken at the prevailing market price. Operating costs, on the other hand, amounted to $3.71 per ton and total costs $4.65 per ton.

Brought into production in May, 1933, under the sponsorship of Ventures Ltd. and Nipissing Mining Co., operations have shown steady improvement. Production started with a 600-ton mill unit, one of the largest initial milling plants ever installed by a gold mine in Canada, and since that time capacity has been gradually stepped up to 1,400 tons, reaching the latter figure late in September.

Because of the arsenic content of its ore Beattie recovers only a small part of its precious metal output in the form of bullion. The major portion of its gold output is derived from concentrates which are shipped to the smelter of the American Smelting and Refining Co. at Tacoma, Wash. Research is constantly being carried on to find a way to eliminate the smelter treatment of the ore, but to date this metallurgical problem remains unsolved.

If a solution to this metallurgical difficulty could be found the company's earning position would be considerably improved as marketing costs are high. In the 1934 fiscal year costs of marketing concentrates amounted to $1.19 per ton of ore milled. This includes transportation and smelting charges.

Production and earnings in the current year should be higher than in 1934 as a result of the increase in milling capacity from 800 to 1,100 tons daily in November, 1934, and from 1,100 to 1,400 tons last month. Net returns after marketing charges amounted to $1.3 millions in 1934 while net profit totalled $155,730, equivalent to three cents per share.

In the first six months of 1935 net metal sales amounted to $735,086. This indicates that net returns for the year will be about $1.5 million. This estimate makes allowance for increased production in the last three months of the year. Profits before making allowance for taxes, depreciation and write-offs amounted to $246,441 in the first half of the year.

The company enjoys a strong working capital position. The balance sheet as at Dec. 31 last showed current assets of $663,089 as against current liabilities of $155,391. The balance sheet at the end of the current fiscal year will show an even stronger liquid position, it is expected. With working capital in the neighborhood of half a million dollars it should be possible for the company to pass earnings on to shareholders in the form of dividends.

As regards ore reserves the company has no worries. On the basis of present productive capacity reserves are sufficient for 10 years' operations. In the annual report for 1934, A. J. Keast, mine manager, stated that after treating over 500,000 tons of this ore it has been found that diamond drill intersections give a very close check against actual gold content of the ore. The company, therefore, showed its indicated ore as determined in this manner in "A" ore body. No drifting of importance has been done on this body to date. Details of ore reserves are as follows:

	Tons	Grade oz.
North Ore Body:		
Ore devel. ready for stoping	2,915,800	
Indicated by diam'd drilling & partially developed	915,500	
	3,831,300	0.1600
A Ore Body:		
Ore indicated by diamond drill. between 3rd and 5th levels	300,000	0.1525
	4,131,300	0.1595

Price Range of Stock

	High	Low	Last
	1934		
Common	$2.45 Sept. 22	$1.91 Dec. 24	$2.15 Dec. 31
	1935		
Common	$2.16 Jan. 2	$1.33 Oct. 3	$

Inactivity Adds Mystery To Sudbury Nickel Deals

From Our Own Correspondent

SUDBURY. — No further move has been reported by interests purporting to be the British Nickel Corp. of London, Eng., following the optioning by them of a number of nickel properties in the Sudbury district during the past summer.

It had been anticipated by the optioners that engineers would have been on the scene by now making examinations of the lands in question, but it is believed that the Italo-Ethiopian situation and the war outlook in Great Britain has intervened to prevent any move by the British interests in the way of exercising the options and undertaking actual development. The options, on which no cash was paid, are understood to expire in November and December.

The various properties involved are located around the rim of Sudbury basin, and aggregate a large acreage. They are in the townships of Denison, Blezard, Falconbridge, Levack, Trill, Garson, MacLennan, Capreol and Bowell. Owners of the ground concerned in the deal are mostly Sudbury men. There is no information at the present of prospective action if the options are not taken up on the date of maturity, but the view is that extensions could be arranged without difficulty.

Nova Scotia Mining Men Hold Successful Palaver

The largest attendance in its history was recorded by the Gold Mining Association of Nova Scotia at its annual meeting in Halifax recently. An address by Hon. Michael Dwyer, Minister of Public Works and Mines, and election of officers featured the meeting.

The following were elected for the ensuing year: Hon. Michael Dwyer, hon. pres.; R. Douglas Graham, K.C., press.; E. S. Romilly-Smith, E. H. Henerson and Fred Guildford, vice-pres.; Gregory W. Lovett, sec.-treas. Honorary membership was extended to Dr. E. R. Faribault, of the Geological Survey, Ottawa, Dr. Wyatt Malcolm, and Dr. F. W. Sexton, of the Nova Scotia Technical College.

MANITOU DISTRICT SCENE OF REVIVAL BIG MASTER BUSY

Murwood Interests Plan Intensive Exploration

From Our Own Correspondent

FORT WILLIAM. — The region around Manitou Lake, Dryden and Wabigoon continues to maintain a fair amount of activity, with prospectors showing more interest recently than for many years. At the Big Master Mine in the Manitou section, additional equipment is being brought in to prepare for an enlarged exploration campaign, following the diamond drilling which has been under way for some time on this reviving old-timer. E. A. Boadway will direct operations for the Murwood Gold interests, now involved in the enterprise.

Closer to the C.P.R., the combined properties previously operated as Bonanza United Mines, and comprising holdings of Contact Bay Gold Mines, and Redeemer Mining and Milling Co., are being examined for Northern Mines, a Delaware incorporation which has entered into a deal for exploration of the properties on a share-exchange basis. The property has two shafts down and is equipped for underground work.

Prospecting for Birch Bay Gold Mines, W. W. ("Hardrock") Smith has staked claims on a discovery of two gold bearing quartz veins at Eagle Lake which are now being explored, and other stakers have taken up ground in the vicinity of the strike.

Holland Funds Enter Manitoba Mining Area

From Our Own Correspondent

WINNIPEG. — Financing for the Sylvia Mining Co. has been arranged in Holland. The Holland concern, it is understood, will take the entire issue of 5,000 shares at $5 per share. The shares are to represent 100 shares for each $5 share in a company to be formed later.

Sylvia's property comprises a group of 12 claims near Hole River in the English Brook section of the Rice Lake area. Transportation presents no problems and surface exploration has shown a number of veins. Most of the work to date has been done on what is known as the Denver No. 1 and No. 2 claims. The vein on these claims has been traced, opened and stripped for 1,000 ft. with an ore shoot of approximately 600 ft.

A drilling programme on the property is now being prepared preparatory to shaft sinking.

Mining Concerns Newly Formed

Chadbourne Development Co.—Que. Incorp., Sept 6, H.O., Montreal, Author. Capit., $20,000 par $100.

Gilmour Gold Mines.—Ont. Incorp., Aug. 2, H.O., Toronto. Author. Capit., $3,000,000, par $1.

Macaboug Exploration Co.—Ont. Incorp., Sep. 11, 1935, H.O., Toronto. Author. Capit., 75,000 par $1.

Tyranite Mines Ltd.—Ont. Incorp., Sept. 23., H.O., Kirkland Lake. Author. Capit., $3,000,000 par $1.

Dead and Dormant

Canadian Gold Refining Co.—Notice that company is to be voluntarily wound up has appeared in the Ontario Gazette.

The Lake Fortune Mining Co.—Quebec charter surrendered Oct. 12, 1935.

Utility Mines (Number One) Ltd. of Vancouver, B.C., was adjudged bankrupt 24 Sept. 1935, Canada Gazette reports.

Merged

Ferguson Exploration Ltd.—Supplementary letters patent have been issued changing the name of the company from Ditton River Gold Mining Co. to Ferguson Exploration, Ltd. and increasing the number of directors from three to five.

Athabaska Hunt Is Broadened Out By Latest Finds

From Our Own Correspondent

REGINA, Sask.—Recent mineral strikes in Lake Athabaska region, 100 miles apart, reveal the extent of mineralized country surrounding the original strike at Goldfields, formerly Beaverlodge. The most recent strike is reported from Cypress River district, 40 miles due west of the first strike in Beaverlodge Bay. An earlier strike at Robillard River is approximately 80 miles east of the original find.

Details are lacking respecting the nature of these discoveries.

Another report brought out by the last air flight before freeze-up was that quicksilver has been discovered. An assay is more than likely complete by now but what it revealed has not yet come out of the north.

Athona's Plans

Athona mines expects to drop its shaft to the 250-ft. level by Christmas and several thousand feet of lateral work will be done before spring arrives. Thirty-five men will be employed on the property all winter long. Machinery shipments are pretty well in for this mine and include a 15-ton mill for bulk sampling of underground ore. Athona Mines are also interested in the Lee-Greenlaw claims where 10 men are at work and some sinking will be done on these claims during the winter. Free gold is reported showing in some of the trenches for a distance of 40 ft. Some fairly rich samples have been taken off the Athona property.

NEVILLE CANADIAN PLANS PRODUCTION WITH BRAMOR UNIT

Shaft Dewatered to Third Level—Option Taken

With the shaft dewatered to the third level, and the 30 ton Bramor mill well under way, Neville Canadian Gold Mines is expeting to start production in the near future, E. H. Dickenson, president, informs The Financial Post.

The property, in the West Shining Tree area of Ontario, is being brought into production under an agreement with Bramor Mining (Ontario) Ltd., which is providing funds to finance the mine until 60 days after the mill is installed. Bramor has also agreed to manage the property for the next three years, taking, in return, an unstated amount of Neville stock. The mill is to be paid for by $25,000 cash, to be taken from production only.

In addition, Mr. Dickenson stated, Bramor have recently taken an option on 500,000 shares of Neville stock, to net Neville's treasury $92,500, if fully exercised.

Bramor have already spent about $7,000 grooming the property for the mill, it was stated. In all about 1,400 ft. of lateral work has been done, and the present operators are concentrating on the third level.

24,469 Lawn Mowers

The five Canadian manufacturing companies specializing in lawn mowers produced 24,469 machines in 1934.

Mining Stock Quotations

Week Ending October 14.

Par Val.	Range 1935 High	Range 1935 Low	Company	Sales	Close Oct. 7 (or last)	High for week	Low for week	Close Oct. 14
1	.74	.38	Afton	31,225	.57	.61	.53	.61
No	.11	.04	Aldermac	6,505	.05½	.05	.04½	.04½
1	.02½	.00⅞	Alexandria	1,000	.00⅞	.00⅞	.00⅞	.00⅞
No	.57	.40	Algold	600	.40	.40	.49	.40
No	.08½	.02½	Algoma	3,200	.03	.02½	.02½	.02½
No	4.50	3.60	Anglo-Huronian	418	3.80	3.70	3.60	3.65
No	.04	.01½	Arno	400	.01½	.02½	.02½	.02½
1	1.19	1.04	Arntfield	7,525	1.05	1.09	1.04	1.04
1	.32	.06½	Ashley	10,300	.15	.17	.12	.13
1	.08	.02½	Astoria Rouyn	1,000	.02½	.02½	.02½	.02½
1	.14	.03	Bagamac	5,500	.04	.04½	.03½	.03½
1	.08	.02½	Barry Hollinger	14,750	.07	.06½	.05	.05
1	.94	.23	Base Metals	30,225	.38	.39	.31	.35½
1	1.06	.14	B.E.A.R.	64,675	.67	.74	.67½	.72
No	2.16	1.25	Beattie Gold	2,500	1.35	1.35	1.25	1.25
1	.75	.30	Big Missouri	23,388	.39	.52½	.45	.51
1	.38	.18	Bobjo	11,600	.20	.21	.19½	.20
No	12.50	4.25	Bralorne	2,535	5.80	5.90	5.40	5.55
1	.61	.20	Brazil Gold	16,200	.37	.47	.37	.40
1	.03	.01½	Brett Tretheway	......	.01½	.....	.....	.....
50c.	.24	.07	Bridge River Ex.	200	.10	.08	.08	.08
1	.03	.01	Brownlee	2,000	.01½	.01½	.01½	.01½
1	3.50	2.40	Buffalo Ankerite	2,470	2.45	2.50	2.35	2.40
No	.03½	.01	Buffalo Can.	......	.01½	.....	.....	.....
5	38.15	31.00	Bulolo Gold	100	31.50	31.00	31.00	31.00
No	.08	.03	Bunker Hill	3,820	.06½	.06½	.05	.05
1	.03½	.01	Can. Kirkland	4,700	.01½	.01½	.01	.01½
No	.75	.54	Can. Malartic	4,800	.59	.60	.58	.60
1	1.50	.95	Cariboo Gold	900	1.08	1.14	1.08	1.12
1	.05½	.02	Cartier Malartic	500	.02½	.02	.02	.02
1	1.35	.55	Castle Trethewey	6,763	.85	.87	.85	.85
1	.07½	.02½	Cen. Manitoba	......	.04	.....	.....	.....
1	1.95	1.12	Cen. Patricia	39,945	1.71	1.85	1.70	1.80
No	.27	.08	Chibougamau Pros.	35,200	.13½	.14	.12	.13½
No	.06½	.03	Church M. & Mill	2,000	.06½	.06½	.05½	.05½
No	.08	.02	Clericy	4,500	.02½	.03	.02½	.02½
5	3.25	1.50	Coast Copper	400	2.60	2.50	2.15	2.15
1	.08	.01½	Cobalt Contact	2,500	.02	.01½	.01½	.01½
No	.15	.02½	Columario	......	.02½	.....	.....	.....
5	3.60	2.00	Coniagas	300	2.45	2.45	2.30	2.30
No	2.60	1.35	Coniaurum	399	1.50	1.60	1.55	1.55
25	184.75	125.50	Cons. Smelters	2,919	174.50	178.50	173.00	178.00
No	44.00	34.51	Dome Mines	1,655	39.75	40.75	38.75	39.00
1	.10	.03½	Dom. Explorers	2,625	.04	.04	.03½	.04
1	.17½	.06½	Duparquet	30,250	.08	.08½	.08	.08
1	2.93	1.02	Eldorado	44,689	1.30	1.58	1.28	1.57
No	4.50	3.25	Falconbridge	10,581	4.34	4.50	4.25	4.45
1	.04½	.02	Federal	11,500	.02½	.03½	.02½	.03
No	.16½	.05	Francoeur Gold	2,000	.07	.06½	.06	.06
1	.40	.04	Franklin Gold	25,500	.04½	.06½	.04	.06½
1	.45	.09	Gabrielle	350	.20	.20	.15	.20
No	.03½	.01	Gilbec	5,000	.01½	.01½	.01½	.01½
No	2.24	1.24	God's Lake	24,658	1.51	1.54	1.48	1.51
1	.20	.11	Goldale	800	.11½	.11½	.11½	.11½
50c.	.46	.21	Gold Belt	......	.21	.....	.....	.....
10	.19	.10	Goldfield	......	.10	.....	.....	.....
1	.15	.04	Goodfish	2,500	.08	.08	.08	.08
1	.07	.02	Graham Bosquet	7,000	.02½	.02½	.02½	.02½
1	.40	.17	Granada Gold	24,553	.19	.20	.18	.18
No	.12	.05½	Grandora	2,500	.06½	.06½	.06½	.06½
1	.45	.15	Greene Stabell	6,500	.18	.17½	.15	.15
1	.05	.02½	Grozelle	......	.02½	.....	.....	.....
1	.10	.04½	Grull Wihksne	......	.04½	.....	.....	.....
1	.97	.48	Gunnar Gold	18,250	.56	.68	.55	.68
1	.08½	.02	Halcrow Swayze	1,000	.02	.02½	.02½	.02½
1	.49	.37	Hard Rock	10,900	.46	.49	.43	.43
1	.10	.04	Harker	11,800	.04½	.04½	.04½	.04½
5	20.25	11.65	Hollinger	13,561	12.10	13.65	12.10	13.65
1	1.10	.60	Howey Gold	21,350	.60	.60	.60	.60
No	19.40	11.50	Hudson Bay	1,560	19.40	19.40	18.85	18.85
1	15.35	11.95	Inter. Mining	......	12.50	.....	.....	.....
1	6.50	5.00	Do., Pur. Warr.	......	5.00	.....	.....	.....
No	32.00	22.25	Int. Nickel	12,787	31.75	32.00	31.15	31.75
100	130.75	125.00	Do., pref.	......	125.00	.....	.....	.....
1	.20	.09¾	J. M. Cons. Gold	16,700	.10½	.10	.09¾	.10
1	.75	.45	Kerr Lake	......	.52	.....	.....	.....
1	.31	.20	Kirk. Hud. Bay	......	.26	.....	.....	.....
1	.01½	.00½	Kirk. Hunton	......	.00½	.....	.....	.....
1	.62	.33½	Kirkland Lake	18,100	.38	.40	.36	.38
1	.33½	.12½	Kirk. Townsite	500	.15	.15	.15	.15
No	.07	.02	Lake Maron	1,550	.02½	.02	.02	.02
1	58.00	46.25	Lake Shore	2,345	47.15	48.00	46.25	47.00
1	.08	.02	Lamaque Contact	1,100	.02	.02½	.02	.02
1	.14½	.12	Lebel Oro new	18,885	.14	.14½	.14	.14½
1	.08	.02½	Lee Gold	4,000	.03	.02½	.02½	.02½
No	7.25	4.25	Little Long Lac	12,910	5.10	5.45	5.05	5.25
1	2.75	1.31	Macassa	25,405	2.49	2.54	2.46	2.53
1	.03	.00½	Malrobic	......	.01	.....	.....	.....
No	.12	.05½	Mandy	1,200	.10	.12	.10½	.12
No	.12½	.03	Man. & Eastern	10,500	.04½	.06	.04½	.04½
1	.14	.02½	Maple Leaf	20,300	.02½	.02½	.02½	.02½
5	46.00	36.25	McIntyre	127	38.00	37.00	37.00	37.00
1	1.45	.96	McKenzie R.L.	15,425	1.00	1.07	.98	1.03
1	.70	.35	McKinley	6	.40	.35	.35	.35
1	.46½	.07½	McMillan	6,800	.10	.10	.10	.10
No	2.15	.45	McWatters	25,675	1.42	1.55	1.42	1.54
1	.40	.10	McVittie	4,200	.13	.15	.13	.13
No	1.50	.85	Mining Corp.	5,835	1.30	1.30	1.25	1.30
No	.21	.07½	Minto Mines	......	.08	.....	.....	.....
1	.04	.01	Moffatt Hall	11,500	.01½	.02	.01½	.02
1	.16	.07½	Moneta	......	.07	.....	.....	.....
1	.79	.35	Morris Kirk	60,350	.62	.62	.35	.47
1	.01½	.00½	Murphy	......	.00½	.....	.....	.....
No	.04	.01½	Newbec	14,000	.03	.03	.01½	.02½
1	.04½	.00½	Night-Hawk Penn.	......	.01	.....	.....	.....
5	2.95	2.00	Nipissing	1,405	2.10	2.15	2.00	2.00
No	43.00	31.00	Noranda	15,235	40.75	41.00	40.00	40.75
No	.31	.16	Nor. Canada	......	.17	.....	.....	.....
1	.75	.30	O'Brien	12,000	.45	.50	.48	.50
1	.10	.03	Osisko	2,000	.05	.05	.03½	.03½
1	.32	.18	Parkhill	8,700	.20	.21	.20½	.20½
1	.04½	.01	Pawnee Kirk.	3,500	.02½	.02½	.02½	.02½
1	.30½	.16	Paymaster	10,100	.24	.23	.22	.22½
1	.84	.40	Pend Oreille	6,600	.75	.78	.72	.75
1	.83	.55	Perron Gold	34,050	.60	.71	.59	.68
1	.09½	.01½	Peterson Cobalt	26,000	.02½	.02½	.01½	.02½
1	3.07	2.10	Pickle Crow	46,834	2.78	3.01	2.78	3.00
1	12.25	9.00	Pioneer Gold B.C.	3,245	9.10	9.35	9.05	9.35
1	.06	.03	Porcupine Crown	13,500	.04	.04	.03½	.03½
1	.01½	.00½	Potter Doal	......	.01	.....	.....	.....
1	2.05	1.35	Premier Gold	2,250	1.57	1.58	1.55	1.58
1	.03	.01	Preston E. Dome	2,500	.02½	.02	.02	.02
No	3.05	1.25	Prospectors Air's	2,675	2.60	2.65	2.40	2.50
1	.80	.09½	Quebec Gold	9,300	.44	.45	.43	.45
No	.15	.02½	Quemont	500	.05	.05	.05	.05
1	.98	.55	Read Authier	1,900	.80	.80	.73	.77
No	.41	.25	Red Lake	52,300	.28	.36	.37½	.35½
1	1.67	.73	Reno Gold	6,000	.76	.81	.76	.85
1	.00½	.00½	Ribago	......	.00½	.....	.....	.....
1	.02½	.00½	Ritchie	500	.01½	.01½	.01½	.01½
1	.09½	.02	Robb Montbray	40,310	.06	.06	.05½	.05½
1	.10½	.04	Roche Long Lac	13,000	.04½	.04½	.02½	.04
1	5.30	2.00	San Antonio	50,011	2.66	2.65	2.50	2.55
50c.	1.25	.54	Sheep Creek	500	.70	.65	.65	.65
1	1.00	.45	Sherritt Gordon	41,321	.90	.91	.84	.85
1	3.29	2.40	Siscoe	22,810	2.50	2.56	2.45	2.53
1	5.10	3.30	South Amer. Gold	2,700	4.25	5.10	4.50	4.72
No	.15	.02½	South Tiblemont	8,700	.02½	.02½	.02½	.02½
No	.32	.13½	Stadacona	23,800	.20½	.21	.18½	.19
1	.39	.14½	St. Anthony	5,000	.19	.18	.18	.18
No	1.74	1.25	Sudbury Basin	6,900	1.65	1.65	1.60	1.62
1	.11	.03	Sudbury Contact	4,600	.04	.05	.04	.04
1	.07½	.03	Sudbury Mines	12,000	.05	.05½	.05	.05
1	.89	.35	Sullivan Cons.	13,643	.60	.61½	.59	.61
1	2.70	2.00	Sylvanite	16,795	2.13	2.17	2.10	2.12
1	.67	.25	Tashota Gold	55,400	.34	.39	.27	.39
1	4.70	3.67	Teck Hughes	11,131	3.95	3.95	3.90	3.91
1	.02½	.00½	Timiskaming	......	.01½	.....	.....	.....
1	1.45	1.00	Toburn Gold	1,080	1.07	1.07	1.05	1.05
1	.30½	.10	Towagmac	1,400	.12½	.20	.13	.15
1	.30	.10	Treadwell	......	.10	.....	.....	.....
No	.01½	.00½	Vacuum Gas	......	.00½	.....	.....	.....
No	.32	.02	Vanson Man.	......	.02	.....	.....	.....
No	1.07	.80	Ventures	15,275	1.00	1.02	.97	1.02
No	.90	.45	Waite Amulet	694	.77	.75	.65	.66
50c.	.24½	.07	Wayside	18,400	.15½	.15½	.14	.15
No	.10½	.01½	White Eagle	1,000	.01½	.02½	.02½	.02½
1	.07	.03	Wiltsey Coughlan	9,000	.04	.04	.03½	.03½
1	.07½	.03½	Wood Kirkland	1,500	.05	.05	.05	.05
No	9.90	7.15	Wright-Hargreaves	9,740	7.70	7.70	7.30	7.40
No	.85	.26	Ymir Yankee	11,000	.30	.32	.28	.32
			OIL STOCKS					
No	.26	.17	Acme Gas & Oil	3,000	.17½	.18	.17½	.18
1	1.06	.40	Ajax	800	.41	.41	.41	.41
No	.85	.40	Calgary & Ed.	500	.58	.52	.52	.52
1	.09½	.04	Calmont	......	.04½	.....	.....	.....
No	.05½	.03	Common Pete	......	.03	.....	.....	.....
No	.38	.15	Dalhousie	708	.20	.21	.15	.15
No	.12	.05	East Crest	60	.05½	.05½	.05½	.05½
No	.21	.04	Erie Gas	......	.13½	.....	.....	.....
No	.35	.08	Foothills	......	.15	.....	.....	.....
No	.15	.10½	High Sarcee	......	.13	.....	.....	.....
No	.80	.42	Home	425	.45	.47	.45	.45
1	.14	.05	Homestead O. & G.	......	.05	.....	.....	.....
No	.13½	.06	Lowery	600	.09	.09	.06	.09
No	.24	.14	Merland	......	.14	.....	.....	.....
1	.28	.18	Model	300	.25	.25	.25	.25
5	.17	.03	Nordon	5,300	.14	.13½	.12½	.13½
No	.07	.03½	Oil Selections	1,600	.04½	.04½	.04	.04
No	.06½	.02½	Olga Gas & Oil	500	.02½	.02½	.02½	.02½
1	.65	.40	Petrol Oil & Gas	......	.60	.....	.....	.....
No	27.00	18.00	Royalite	689	19.00	19.50	19.12	19.50
No	.12	.04	South West Pete	......	.04	.....	.....	.....
No	.95	.55	Texas Can	3,700	.85	.92	.80	.81

VANCOUVER STOCK EXCHANGE

(Transaction for Week to October 11)

Par Val.	Range 1935 High	Range 1935 Low	Company	Sales	Close Oct. 4 (or last)	High for week	Low for week	Close Oct. 11
1	.02½	.01½	Alexandria	......	.00½	.....	.....	.....
25c	.01½	.00½	Bayview	......	.00½	.....	.....	.....
20c	.10½	.03½	Beaver Silver	500	.03½	.05½	.05½	.05½
25c	.02½	.01	Bluebird	10,000	.01½	.01	.01	.01
No	12.25	4.35	Bralorne	6,921	5.05	5.90	5.50	5.70
1	.08½	.03	Bridge River Cons	......	.04	.....	.....	.....
50c	.24	.07½	Bridge River Exp	2,000	.1	.09	.09	.09
1	.55	.14	B.C. Nickel	53,150	.18	.24	.18	.24
1	1.68	.90	B.C. Silver	400	1.30	1.25	1.25	1.25
10	43.00	43.00	Bunker H. Sullivan	......	43.00	.....	.....	.....
50c	.10	.03	Canadian Rand	2,000	.03	.03	.03	.03
1	1.50	.95	Cariboo Gold	4,750	1.08	1.10	1.08	1.10
1	.54	.17	Congress Gold	5,400	.19	.19	.17½	.17½
1	.09	.03	Cotton Belt	......	.09	.....	.....	.....
25	.00½	.00½	Cork Province	......	.00½	.....	.....	.....
1	.01½	.00½	Dalhousie Mines	......	.00½	.....	.....	.....
No	.95	.15½	Dentonia	23,300	.17	.17½	.16½	.16½
No	.06½	.01	Dictator	8,000	.01	.01½	.01½	.01½
1	.17	.03	Dunwell	......	.03	.....	.....	.....
No	.16½	.01	Fairview Amal.	5,000	.09	.08	.08	.08
50c	.44	.25	Fawn Mining	......	.25	.....	.....	.....
1	.13	.05	Federal Gold	3,000	.07½	.07½	.07	.07
1	.20	.12	George Copper	......	.20	.....	.....	.....
50c	.07	.03	George Enterprise	6,000	.06½	.07	.06½	.07
1	.01	.00½	Georgia River	......	.00½	.....	.....	.....
50c	.06½	.01	Glacier Creek	......	.01	.....	.....	.....
1	.42	.15	Golconda	4,550	.16½	.16½	.15½	.16
50c	.45½	.20	Gold Belt	1,700	.21	.23	.21	.23
50c	.19	.03	Gold Mountain	1,900	.09	.03	.03	.03
50c	.04½	.01½	Grandview	400	.02	.02	.02	.02
No	.24	.01½	Grange Mines	10,500	.02	.02	.01½	.01½
1	.10	.04½	Grull Wihksne	2,500	.05½	.05	.05	.05
No	.03	.03	Haida Gold	......	.03	.....	.....	.....
25c	11.50	6.40	Hecla	......	9.85	.....	.....	.....
50c	.26	.18	Hedley Amal.	1,200	.18	.19	.19	.19
No	.13	.04	Hedley Sterling	......	.06	.....	.....	.....
1	.02	.01	Hercules Cons.	......	.01	.....	.....	.....
No	.12½	.03	Home Gold	5,900	.03	.03	.03	.03
1	.01½	.00½	Independence	......	.00½	.....	.....	.....
1	.01	.01	Indian Mines	......	.01	.....	.....	.....
1	.20	.17	Inter'tl Coal	3,800	.20	.20	.19	.19
50c	1.00	.68	Island Mountain	2,400	.92	.95	.92	.94
50c	.72	.30	Kootenay Belle	5,844	.32	.31	.30	.31
25c	.01½	.00½	Koot. Florence	......	.00½	.....	.....	.....
1	.01½	.00½	Lakeview	......	.00½	.....	.....	.....
10c	.04½	.01	Lucky Jim	10,000	.01½	.01½	.01½	.01½
No	.41	.07	Mak Siccar	8,300	.11	.11	.10	.10
50c	.00½	.00½	Marmot Metals	......	.00½	.....	.....	.....
1	.21	.16	McGillivray Creek	......	.20	.....	.....	.....
50c	.20	.15	Meridian New	1,260	.18	.20	.19	.19
No	.24½	.05½	Minto Mines	14,850	.06	.06	.05½	.05½
50c	.12½	.03½	Morning Star	18,500	.04	.04	.04	.04
1	.02	.00½	Morton Woolsey	......	.00½	.....	.....	.....
50c	.06½	.02½	National Silver	4,000	.02½	.02½	.02½	.02½
50c	.17	.05	Nicola	6,400	.09½	.09½	.08½	.09
50c	.16	.05	Noble Five	124,100	.05½	.05½	.05	.05½
No	.09½	.01½	Pilot Gold	1,000	.01½	.01½	.01½	.01½
1	12.50	9.10	Pioneer Gold	475	9.50	9.35	9.20	9.25
50c	.15	.05	Porter Idaho	3,000	.05½	.06½	.06	.06½
No	.01	.00½	Premier Border	......	.00½	.....	.....	.....
1	.02½	.01½	Quatsino Copper	......	.02½	.....	.....	.....
No	.17	.05	Queanelle Quartz	......	.06	.....	.....	.....
No	.18	.01	Reeves McDonald	1,000	.10	.10	.10	.10
1	.39	.25	Relief Arlington	3,600	.32	.33	.32	.33
1	1.62	.72	Reno Gold	7,200	.75	.82	.74	.82
1	.04½	.02	Reward Mining	......	.02	.....	.....	.....
1	.01½	.00½	Rufus Argenta	......	.00½	.....	.....	.....
1	.05½	.00½	Ruth Hope	......	.00½	.....	.....	.....
1	.62	.18	Sally Mines	......	.19	.....	.....	.....
50c	.18	.06½	Salmon Gold	3,200	.07	.07	.06½	.07
50c	1.18	.55	Sheep Creek	48,800	.65	.69	.64	.67
1	.05	.02	Silverado	......	.03	.....	.....	.....
25c	.02½	.00½	Silvercrest	2,000	.00½	.00½	.00½	.00½
20c	.12	.01	Silversmith	5,000	.01½	.01½	.01½	.01½
50c	.01½	.00½	Snowflake	......	.00½	.....	.....	.....
No	.76	.48	Standard Silver	1,000	.48	.49	.49	.49
10	23.75	11.45	Sunshine	......	20.00	.....	.....	.....
No	.32	.15	Taylor Bridge	2,900	.17	.17	.17	.17
1	.20½	.08½	Taylor Windfall	500	.10	.08½	.08½	.08½
5	.35	.20	Torio	......	.20	.....	.....	.....
50c	.10	.03	United Empire	10,000	.03½	.03½	.03	.03
No	.61	.13	Vidette Gold	......	.28	.....	.....	.....
No	.06	.00½	Viking Gold	......	.00½	.....	.....	.....
No	.07½	.02	Waterloo Gold	......	.02	.....	.....	.....
25c	.01½	.00½	Waverley Tangier	......	.00½	.....	.....	.....
50c	.21	.07½	Wayside	15,100	.15	.16	.15	.15
20c	.04	.01	Wellington	7,000	.01½	.02	.02	.02
No	.09½	.02	White Eagle	......	.02	.....	.....	.....
1	.14	.04	Whitewater	550	.05	.05½	.04	.04
No	.83	.23	Ymir Yankee Girl	10	.28	.28	.28	.28
			OIL STOCKS					
1	.22	.04	Amalgamated	13,500	.05½	.05½	.04	.04
1	.10½	.05	Alta. Pacific com.	750	.05½	.06	.05	.05
1	.04	.01	Anaconda	......	.01½	.....	.....	.....
No	.05	.01½	Baltac	......	.00½	.....	.....	.....
1	.07½	.03	Brit. Dominion	......	.03	.....	.....	.....
1	.25	.04½	Crow's Nest	14,200	.05	.09	.04½	.04½
No	.03½	.01	Devenish	......	.01½	.....	.....	.....
No	.11	.04	Freehold	......	.05	.....	.....	.....
No	.04½	.02	Hargal	......	.02	.....	.....	.....
No	.15	.08½	High Sarcee	8,550	.12	.13½	.11½	.13
No	.01½	.00½	Madison	......	.00½	.....	.....	.....
No	.17	.07	Marjon Oil	6,200	.10	.10½	.09½	.10
No	.05	.02	McD. Segur Ex.	......	.02½	.....	.....	.....
1	.48	.30	McLeod	1,238	.32	.32	.30	.30
No	.14½	.09	Mercury	9,650	.10	.11	.10½	.10½
No	.14	.07	Mill City Pete	......	.08	.....	.....	.....
No	.06½	.03½	Okalta	......	.04	.....	.....	.....
No	.10½	.02	Pacalta Oil	500	.02	.03	.03	.03
1	1.17	.25	Ranchmen's	500	.24½	.28	.25	.26
No	.01	.01	Richfield	......	.01	.....	.....	.....
1	.28	.15	Spooner	100	.19	.18	.18	.18
No	.10	.03	United	250	.03½	.03½	.03	.03
No	.14	.04	Vanalta	......	.04	.....	.....	.....
1	.05	.04	Wellington Oil	......	.05	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas	2c.	.....	McIntyre	$2	5.40
Anglo Huronian†	40c.	.....	McKinley Sec	2½c.	.....
Buff. Ankerite	20c.	8.33	Model Oils	3c.	.....
Bulolo Gold‡	1.20	.....	Nipissing	12½c.	.....
Calgary & Ed.	5c.	.....	Noranda	$1	.....
Coniagas‡	12½c.	.....	Nor. Canada†	2c.	.....
Cons. Smelters	$1.25	.....	Petrol Oil‡	3c.	.....
Dome Mines	$2	5.12	Premier	12c.	7.59
Falconbridge	7½c.	.....	Pioneer, B.C.	80c.	8.56
Hollinger	65c.+5c.	5.13	Reno	12+2c.	16.46
Howe Sound	$3	.....	Royalite	75c.	.....
Howey Gold	3c.	.....	San Antonio	7c.	.....
Hudson Bay†	50c.	.....	Siscoe	20c.	7.90
Int. Coal & Coke	1c.	.....	So. Amer. Gold	10c.	.....
Inter. Mining	15c.	.....	Sunshine	30c.	.....
Int. Nickel c	80c.	.....	Sylvanite	20c.	9.43
Kirk. Lake†	3c.	.....	Teck Hughes	40c.	10.23
Lake Shore	2+50c.	5.31	Toburn	8c.	7.61
Macassa	5c.	.....	Wright-Har	40+5c.	6.08

†Interim. ‡Initial.

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New Books

Marco Polo to Beatty

Gibbon's History of C.P.R. Rich in Anecdote of Great Builders of Line

STEEL OF EMPIRE. By John Murray Gibbon. Published by McClelland & Stewart, Toronto, Canada. Price $3.50.

A wag might prefer to have this volume entitled "From Marco Polo to Edward Beatty; or the History of the Cathaynian Pacific Railway."

For what Mr. Gibbon has learned out of his 25 years of association with the Canadian Pacific is that Canada's greatest individual contribution to Empire building is the direct product of the adventures of the great Venetian jewel merchant when foot-loose in Cathay. Marco Polo spun intriguing accounts of the jewels and pearls, the spices and the silks of the Far East. Columbus thought, as men do today, to shorten the passaage round the world and subsequent geographers conceived the notion of a North-west Passage from Europe to the Orient.

They were wise; the North-West passage by sea did exist. But it was finally the builders of the Canadian Pacific Railway who gave the world the short route from effete Europe to romantic China.

Starts Away Back

Thus, the most notable feature of Mr. Gibbon's history of the C. P. R., and the one that differentiates it from all those that have gone before is that he starts not at Confederation but many hundreds of years before. In fact, there are 136 pages of this volume before Confederation is reached. Thus there is developed an account of the inherent affinity between Marco Polo's visit to the Kublai Khan and the Duff Commission's visit to the outposts of Canada.

Mr. Gibbon's history is excellently illustrated and romantically told. There is a great deal of new material; just how much it is difficult for anyone but the most widely read person to say for Mr. Gibbon provides bibliography rather than annotation.

Some of the yarns about Sir Herbert Holt are of particular interest, for the early days of Holt in Canada have been little publicized. It is interesting to learn that Lake Louise station, when it was the temporary railhead of the C.P.R. on the summit of the Kicking Horse Pass, was called Holt City. Holt, as chief engineer on the mountain construction of the C.P.R., was notable for his ability to get things done. Mr. Gibbon tells this story:

"At the time when the C.P.R. reached the Bow River, the hamlet of Calgary was not so near the tracks as it wished to be and wanted to move the post-Office near the station. The government, however, was slow to action even though the post-office building was a mere shack. Holt solved the problem by taking a bull team to the building and moving it to where the citizens of Calgary thought it ought to be. Since there was no one with authority or bulls to move it back again, there it stayed, and the rest of the inhabitants followed suit so as to have less distance to walk when the mail came in."

Holt Stops Raid

Gibbon tells of an attempted raid on Holt's construction camp. The engineer got word of it and rounded up the available ammunition—nine Winchesters and six revolvers.

"Posting his men at strategic points, he threw a log across the trail and waited the strikers with his gun. The leader of the attacking army came riding on a mule with a flag sticking over each ear. When they reached the log Holt said:

"'Now, hold on a minute. The first man that crosses that log, I shoot. We have guns enough to take care of 150 of you. Now you know.'

"No one crossed the log."

Not Final Spike

Mr. Gibbon reveals what happened to the original spike used to complete the Canadian Pacific Railway. The roadmaster removed it and afterwards presented it to Sir Edward Beatty.

There is an excellent story of Shaughnessy, typical of his kind heartedness. On one occasion a youthful employee of the railway, who was an amateur pugilist, staged a fight during the lunch hour in one of the rooms at the head office. The youth was dismissed. His mother came to Shaughnessy pleading that her son be restored to favor. Shaughnessy called him in and said to him:

"Well my lad, you have only yourself to blame. It was a breach of good order in the office and Mr. McNicoll was right in disciplining you. You are a clerk in his department and I cannot ask him to take you back. The only thing I can do is to take you into my own office. Report to me tomorrow."

The volume goes into the most extensive detail of the original negotiations for the construction of the C.P.R. and gives good character analyses of the great figures involved in the negotiations. It brings the story up to the present minute.

Mr. Gibbon is the chief publicity officer of the Canadian Pacific Railway and has for many years been one of the most practical supporters of Canadian literature. He is himself a student of many phases of Canadiana, notably French-Canadian folk songs.

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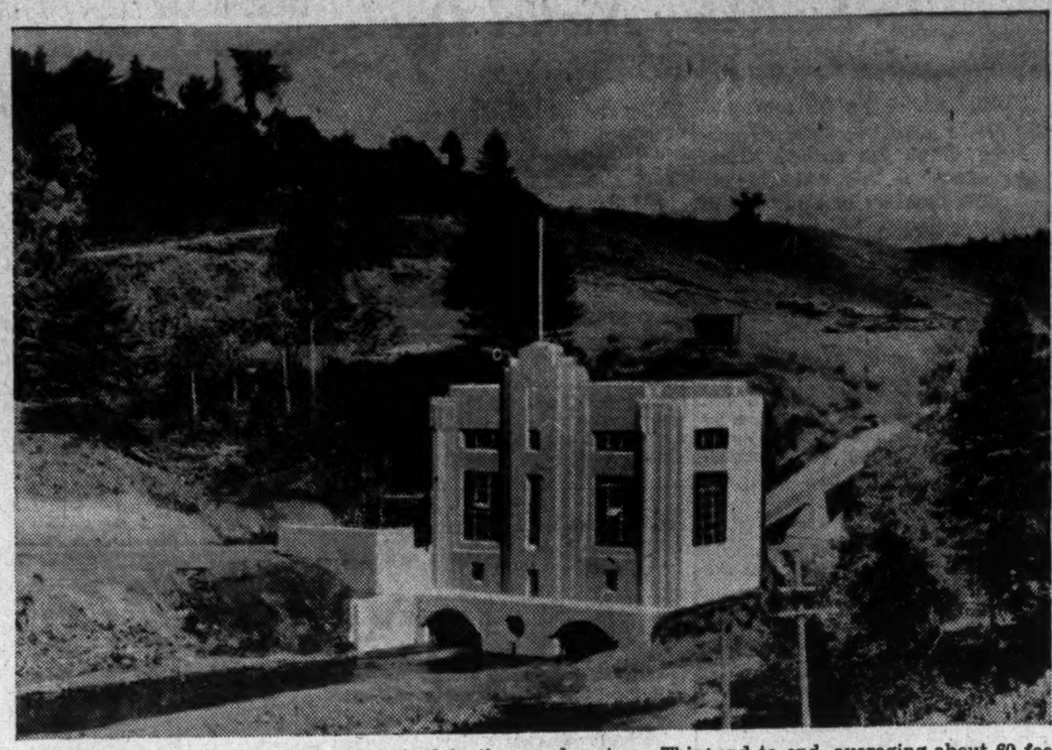

Orillia, Ontario, has now a second electrical power plant, located at Workman's Falls on the Gull River. Two power machines have just commenced operating. Although the town has another plant on the Severn River, the latter is unable to supply enough power to carry the peak loads. The new plant is on the main supply line to the Trent Valley Canal near Minden, Ont., where water is held back in the higher lakes until the summer when it is required in the canal system. This gives a fairly steady flow of water.

The engineers decided to construct one dam on the present site, with a head of 68 feet and at some future date, when the demand for power is still greater, another dam can be built 1½ miles upstream where a head of 48 feet may be obtained.

The present dam, built by Dominion Construction Co., is a concrete gravity affair, 601 feet from end to end, averaging about 60 feet deep in the old river bed. The spillway is 200 feet long.

The power house was begun on April 1, 1935, and is 36 by 68 feet in size inside. Canadian General Electric installed practically all the electrical equipment, which consists besides the usual paraphernalia, of two vertical generators running in opposite directions and driven by turbines supplied by the S. Morgan Smith-Inglis Co.

The Amazing Kemal

Transforms Turkey from Decadent, Opium-growing, Fifth-rate Power Into Modern State — Story Might Have Been Different Had Canada Heeded War Invitation in 1922

BY WELLINGTON JEFFERS

Who is the greatest living statesman?

History will eventually render its verdict but in the meantime it must be recorded that a growing number of public men, diplomats, military men and students of world history are inclined to give this accolade of praise to Gazi Mustafa Kemal, founder and first president of the Turkish Republic.

Why? General Charles H. Sherrill, United States Ambassador to the Turkish Republic in 1932-33, visualizes his accomplishments for Western minds by stating that to Turks he is what George Washington was to the United States.

Revolutionized Turkey

Like George Washington the Gazi (meaning "the Victorious") is "first in peace, first in war and first in the hearts of his countrymen." He turned out the palace crowd at Constantinople, sent the Sultan packing, changed the capital from Constantinople to Ankara—far from the guns of hostile foreign fleets—defeated all his country's enemies.

Eventually by a tour de force in statesmanship he turned old enemies into present friends by means of treaties and consistent fairness. Every important nation now knows that Kemal's foreign policy may be summed up in words like these: "Come to us in friendship and we will welcome you. Come to our shores in enmity and we will bury you. We will co-operate in any enterprise for the good of all mankind."

Established Religious Equality

The Sultan was formerly head of the whole Mohammedan world in a religious sense but Kemal abolished Sultanate and Caliphate together. He made all religions in Turkey equal in the sight of the law, Mohammedan, Christian or what not. He went further and had the Koran printed in Turkish instead of only Arabic. Even the high clear call to prayer of the muezzin now sounds out over Turkish cities in Turkish. He also removed the fez from every Turkish head, thus dissolving the last visible link wtih the Ottoman empire.

Made 11 Revolutions

One successful revolution is usually enough to make a man a secure place in history. Kemal has 11 to his credit. He gave the Turks a new alphabet, Latin characters displacing the old Arabic script which was beautiful but difficult. He gave them the same numerals as the Western world so that foreign business can now be done more easily. He gave them a calendar which is the same as that in use in all Occidental countries. He gave them the English working week, Sunday becoming a holiday instead of Friday. In other words, for the first time in history he put Turks in an immensely improved position to communicate and trade with the rest of the world on even terms He raised the political and social status of women to that enjoyed in many western countries.

In the Sultan's days powerful foreign nations would not allow their nationals to be tried in Ottoman courts. Their own consuls-general tried them. Kemal threw the old Turkish codes into the rubbish heap and caused the Grand National Assembly to give the nation new civil, penal and commercial codes which are entirely modern. He then insisted on all capitulations being abolished. Now foreigners go to Turkish courts just as Turks abroad would be tried in foreign courts. The new penal code includes attempts to reform as well as punish those who are found guilty of infractions of the code.

Abolished Private Opium Trade

One revolution in agricultural life may not have been so well liked in Turkey but it involved a Christmas gift to the world in 1932 so generous that it dazzled humanitarians the world over. He decreed the ending of Turkey's predominance as the chief and central supply for the world's illicit narcotic traffic. He created an international factory to displace private narcotic factories and entrusted external commerce to an organization of commercial associations instructed to see that raw opium and its products would supply only the world's scientific needs. The growth of the poppy had a very important place in Turkish agriculture but can now be grown only under permit. The producing of Indian hemp, source of hashish, was also similarly restricted.

Magnificent Gesture

Every annual convention of the World Narcotic Defense Association pays tribute to Turkey for this act. Admiral Richmond P. Hobson, president of that association and United States national hero because of exploits in the Spanish-American war, is especially high in his tributes. The new policy involved adherence to the International Conventions of the Hague of 1912 and of those of Geneva of 1925 and 1931 respectively. Canada and the United States were two of the nine nations who had already signed. Turkey ratified the conventions ahead of Great Britain, France, Germany and Italy. Premier Bennett gave Canada's support to Turkey.

It meant a big loss to Turkey. She was the centre of the illicit traffic of the world. Other nations followed and now Japan is the only one of the eight large manufacturing nations that has not ratified the treaty. The international narcotic ring switched manufacture to Bulgaria, which is also a signatory, and the drug barons have formed an offensive defensive alliance with certain greedy tuchuns in China. But Turkey has disassociated itself completely from complicity in the ill effects on every race in the world of illicit distribution of opium, morphine, cocaine, heroin, hashish or marihuana, the latter being clandestinely cultivated on this continent from Indian hemp or loco weed.

Seeks Friendships

The eleventh revolution—and the one most difficult for old students of European relations to visualize is in the relations of Turkey with its neighbors. ... Isolation is ended. Kemal has sought and obtained friendship with the nations whose armies once he fought: Bulgaria, Greece, Russia, France, Italy, England. He refused the advice of those who suggested exacting penalties from Greece when he defeated its armies in Asia Minor in 1922. He said that friendly relations and commerce later would be more profitable. Greeks in Turkey and Turks in Greece were successfully repatriated. Diligence to eradicate sources of wars is being exercised. The sabre is rattling in Europe and war clouds are gathering but little is heard of Turkey. Possibly these friendships may prove more potent arms even than the Turkish army.

Dr. E. V. Kemmerer, professor of Economics at Princeton University, was employed by the Turkish government to complete a financial and economic survey of Turkey. On his return he stated in an interview that the Turkish money was on a more stable basis than the United States dollar. Turkey did not have the gold standard but the stabilization of the currency was fixed and it had not fluctuated.

Canada Aided Turkey

Canada has a far more important place in this Turkish regeneration than first appears. The countries are far apart and their economic interests are not intertwined though trade is growing. But what would have happened if Canada had instantaneously supported Premier Lloyd George in his hot-headed plea in 1922 that the British self-governing nations should back him up in his crusade "to drive the Turk out of Europe?" None can say but it might have stopped this promising regeneration of the Turkish nation or it might have precipitated another European conflict with Kemal attaining even more territory than he has done.

Colonel John Bayne Maclean, relying on confidential information given him by British, European and Turkish friends in an exceptional position to know the facts, had already attacked the Lloyd George-Churchill Near East policy in The Financial Post and Maclean's Magazine. Though a Conservative he strongly supported Premier King's policy. Sincere but ill-informed patriots attacked Colonel Maclean, The Financial Post and Maclean's Magazine for their attitude. They did the same thing to John W. Dafoe, editor of the Manitoba Free Press, who had the backbone to protest against Canada being involved in an ill-advised venture in Europe.

But in England the masses showed that they thought just the same as Mackenzie King. They wanted to know, "why?" The leading newspapers asked the same question.

Defeated Gallipoli Attack

Colonel Maclean in 1922 pointed out that the Turks all through the war were friendly to the British and were even more anxious to be friendly since. General Sherrill in his book says Kemal himself disapproved of Turkey's alliance with Germany. He thought it a mistake but as a soldier did his best for his country while the war lasted.

British, French and Australian soldiers who fought on the Gallipoli peninsula have reason to respect Mustafa Kemal. His foresight as to the British-French probable plan of campaign, even though the German adviser and his Turkish superior thought otherwise, was what defeated that plan. But for him "The Tragedy of the Dardanelles" might have been an allied victory.

Time and again his superiors at the palace in Constantinople found his political activities for progress and regeneration of Turkey inconvenient. They sent him with Oriental subtlety to various fronts where armies were disorganized and badly depleted and defeat seemed to them certain. They wanted him discredited. But every time his strong will put stamina, courage and hope into the soldiers. He always had the utmost confidence in Turks as Turks—considered apart from the palace crowd and court intrigues—and his soldiers justified his belief. Canadians who fought in Palestine with Allenby speak the same way of the Turks. General Townshend of "Kut" started as an enemy and though a prisoner from 1915 until the end of of the Great War, returned a firm friend. The Turks have many strong friends in Great Britain, but until recent years international exploiters had their own way with skilfully fostered propaganda. Stories of atrocities even in the Sultan's day were often made out of whole cloth. When Litvinoff was in Washington to gain recognition by the United States government for the Soviet régime in Europe, he was asked, "who is the greatest statesman in Europe today?" He replied: "The greatest European statesman today does not live in Europe; he lives across the Straits in Turkey. His name is Mustafa Kemal."

Canada's Stand Against War

Canadians might do well in the midst of the world excitement caused by Italy's colossal adventure in Ethiopia to hark back in memory to that day in 1922 when Premier Lloyd George tried to enlist Canada in a similar move against Turkey. Recently Col. John Bayne Maclean told how The Financial Post, Maclean's Magazine and a few other publications supported Rt. Hon. W. L. Mackenzie King in his request for more information before embarking on such a war to drive the Turks out of Europe and make Turkish poppy growers safe for the powerful British narcotic king.

The above article relates how most valuable and important contributions to the advance of civilization would have been prevented if such a war had been undertaken and had been successful. Colonel Maclean told also how Rt. Hon. R. B. Bennett was able ten years later to stand beside Turkey in a world movement to stop international narcotic traffic, which has been claiming more victims even than war.

Scallop Industry

The largest scallop fleet on the Atlantic is assembled for the season's operations in the Bay of Fundy—some 60 vessels in all. The industry is only 12 years old and is expanding each year. Last year this fleet, operating out of Digby, landed 93 per cent of the scallops brought ashore, the takings by all parties having a value of $180,000.

ITALY REQUESTS CITIZENS ABROAD CONVERT BONDS

Lira Bonds Offered for Dollar Issues — To Aid Exchange

Italy has requested its nationals residing in Canada and the United States to convert dollar bonds into lira securities. Nationals holding Kingdom of Italy 7's of 1951, for instance, have been asked to convert them into five per cent bonds due 1939 payable in lira.

Holders of Italian dollar bonds may meet trade and other remittances to Italy by this conversion process on the basis of valuations of dollar bonds as at Dec. 8, 1934. Some 20 Italian governmental and corporation dollar bond issues are eligible for such conversion.

Aim of Scheme

The aim of the proposal is to support Italy's foreign exchange balances which have been strained to pay for purchases of war materials abroad. Residents of Italy were recently ordered to convert their holdings of foreign securities into lira bonds. This gave Mr. Mussolini an addition to his foreign exchange balances.

Conversion of dollar bonds into lira securities would reduce the amounts Italy has to pay in foreign currencies. As yet the conversion offer has not been extended to other than Italian nationals. There is a question whether League of Nations economic sanctions against Italy will be effective against conversion of dollar securities into lira bonds.

Italy's immediate financial and economic problems have been caused largely by its campaign in Ethiopia. Mussolini's government is short of foreign balances and has been spending heavily at home and abroad.

Town Badly Off, No One Available For Relief Work

Tillsonburg, Ont., is in a peculiar situation.

A few months ago the provincial highways department arranged for the erection of a cement retaining wall on a portion of No. 3 highway within the town. The department was to supply materials and the town the relief labor. The department has fulfilled part of its obligation and a car load of cement has arrived for the job.

The town cannot stand by its bargain, simply because there is no one on relief within the municipality.

So if the department builds the new retaining wall it is very likely relief labor will have to be brought in from outside points.

All work slack has been taken up by the erection of a large addition to the Canadian Leaf Tobacco plant and the $48,000 addition to the local waterworks system, entailing the laying of two miles of main and new pump house. The shoe factory, an idle plant a few months ago, is now owned by Scott McHale, of London, Ont., is employing 150 hands, and new machinery is being added this week to increase production and keep up with orders. Officials state that the payroll will soon pass the 200 mark.

Finally Foreclose King Edward Hotel

Metropolitan Life Insurance Co has obtained a final order of foreclosure under its first mortgage on property of the King Edward Hotel Co., Toronto. A plea by representatives of shareholders for a stay in the foreclosure proceedings was refused recently.

Foreclosure means that the Metropolitan Life Insurance Co. will own the real property of King Edward Hotel Co. National Trust Co., as trustee for bondholders, has the lien on furniture, goodwill and other necessary assets. The National Trust Co. has leased the real property from Metropolitan Life Insurance Co., and by using the assets held for bondholders, will operate the hotel.

Results of operations for 1935 will not be known until after the end of the year when a report will be issued. It is understood that some improvement in revenue has been experienced this year, but it is too early to tell whether improvement will be shown over the whole 12 months, as compared with 1934.

The BACHELOR'S CORNER
BACHELOR

Football Weather

It may be true that autumn comes around for some other reason besides football, but sometimes I doubt it. For keen, lusty excitement there isn't much to compare with the first game of the season. There's that breathless moment before the kick off when every spectator feels that funny inside-sinking feeling that each player knows before the pigskin goes sailing for the first time. There's the odd, awkward grace of a half-back dodging and weaving through a broken field. There's the tense earnest moment when the team is back on its own goal line and the quarterback is calling the signals for a do-or-die shift.

And, over all, the sharp, tangy autumn day. No wonder people call it "Football Weather!"

Then, when the game's over, in front of the fire, you sit back, light up a Bachelor and tell the lads how "Pep" Mosely saved the game back in '12. Bachelors were the best ten cent smoke then, too. Football heroes come and go but the winning combination, then as now, is an easy chair, a Bachelor, and you.

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